

ALROSA

SUSTAINABILITY REPORT 2024

Message from the Chief Executive Officer – Chairman of the Executive Committee

GRI 2-22



PAVEL MARINYCHEV

CEO – CHAIRMAN OF THE EXECUTIVE COMMITTEE, PJSC ALROSA

Dear colleagues, shareholders, and partners,

Over the past few years, the ALROSA team has been working together to address the challenges, while staying committed to sustainable development. In 2024, amid volatile market conditions and continuing external pressures, the Company focused on improving operating efficiency, including by reducing costs and optimizing business processes. The measures taken allowed us to ensure continuous work and proceed with projects to mitigate environmental impacts, develop the regions of operations and support our employees.

Sustainability is an integral part of ALROSA's strategy. In the reporting year, we revised our Sustainability Programme to ensure its implementation coincides with the timeframe of the Company's overall business strategy. Despite all the challenges, we managed to achieve most of the goals of the previous programme until 2025. We built a framework for the sustainability management system, identified key approaches to ESG transformation of processes and assessed sustainability-related risks and opportunities.

The updated programme maintains essential strategic focuses: establishing safe and fair working conditions, ensuring a favorable environment and climate, supporting regional development, and creating an effective sustainability management system. I firmly believe that the Sustainability Programme for 2025–2029 will not only enable ALROSA to face emerging challenges, but will also set a benchmark for the whole diamond sector.

The Company continues to prioritize the well-being of its employees by ensuring safe and fair working environments, along with enhanced social benefits and support. During 2024, the Company furthered its automation of routine processes to enhance safety levels, including the use of automated systems to monitor compliance with workplace safety guidelines.

ALROSA undertook a set of activities aimed at maintaining the Company's human resources potential, including providing broad opportunities for employees to progress horizontally in their careers. As in previous years, ALROSA also implemented adjustments to wages to offset inflation in a timely manner.

The Company continues to provide jobs for residents of the regions of operations. In 2024, 6,600 people were hired under the “Local Staff in Industry” program. In total, since the program launch, 22 thousand residents of the Republic of Sakha (Yakutia) have become employees of ALROSA. In 2025, this program will be replaced by a new mechanism of personnel recruitment from both the Republic and other regions called “Working Yakutia. Human Resources”, where our Company will take an active part.

To further advance the social and economic development of the regions of operations, ALROSA continues to implement charitable and social projects and long-term programs of cooperation with indigenous small-numbered peoples of the North. In 2024, we evaluated our social initiatives and conducted external assessments of our social and charitable efforts to enhance the impact of our social investments. The expenses associated with the regional development, including healthcare, the environment, education and other areas of support, exceeded RUB 8 billion in the reporting year.

An important component of ensuring the sustainable development of the regions is the preservation of ecosystems and reduction of impacts from the Company's production activities. We operate in areas with harsh climate conditions, which requires special approaches to implementing environmental measures and managing risks. For this reason, we monitor, assess and forecast physical risks associated with climate change, and since 2022 we have been conducting research to study the response of the natural and technical environment of the territories where ALROSA Group enterprises operate to the impacts of climate change..

In the reporting year, as a result of scientific research, we confirmed the fact of absorption of carbon dioxide by kimberlite, quantified such absorption and confirmed the carbon neutrality of ALROSA’s Diamond Mining and Processing Operations (Scope 1 and 2) for 2023 and 2024.

In 2024, we approved the Climate and Environmental strategies extending to 2035, which integrated, organized, and enhanced current practices related to the sustainable management of water and energy, waste management, and the protection of ecosystems.

ALROSA makes every effort to support stable long-term development of the Company, its HR potential and regions of operations. I am confident that reliance on our own production facilities, a well-coordinated professional team and close cooperation with local communities will allow us to achieve the new sustainability goals set.

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ABOUT THE COMPANY

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ALROSA at a glance

ALROSA Group is the world's largest diamond mining company with a full production cycle – from exploration of new deposits, diamond mining and manufacturing to the production and sale of finished diamond jewelry. ALROSA accounts for about 90% of rough diamond production in Russia in terms of carats. ALROSA's share in global production is about 30%, its diamond reserves account for almost half of the world's total.

GRI 2-1

ALROSA'S MISSION IS TO MAINTAIN ITS LEADING POSITION IN THE GLOBAL DIAMOND INDUSTRY, CONSISTENTLY PURSUE THE LONG-TERM INTERESTS OF ITS STAKEHOLDERS THROUGH THE EFFICIENT USE OF RESOURCES AND CAPITAL AND A FOCUS ON SUSTAINABLE DEVELOPMENT.

ALROSA'S STRATEGIC PRIORITIES

- Focus on the rough diamond business
- Replacing declining mineral resources to ensure long-term growth
- Raising labor productivity by continuously improving production processes and implementing new technologies
- Ensuring sustainable development through compliance with high standards of the industrial and environmental safety culture and high social responsibility in all regions of operations
- Fostering consumer demand for ALROSA Group's rough and polished diamonds by developing new sales channels and markets
- Gradual exit from non-core businesses and participation in exploration and production projects for precious metals

Geography of operations

ALROSA's main production facilities are located in the Republic of Sakha (Yakutia). The Company develops more than 20 primary and alluvial deposits by open-pit and underground mining methods. In the Arkhangelsk Region, the Company is developing two open-pit mines forming the largest primary diamond deposit in the European part of Russia (M.V. Lomonosov deposit). ALROSA's total production assets include nine open-pit mines, three underground mines and 14 alluvial deposits in Russia[1]. Six mining and processing divisions are located in the production regions. The Company also includes three cutting enterprises in Smolensk, Moscow and Barnaul.

In 2024, ALROSA acquired LLC Magadan Exploration Enterprise which holds a license to develop the Degdekanskoye gold ore field in the Magadan Region. The Company plans to start production in the medium term.

EXTENSIVE PRODUCTION FACILITIES

- 6 mining and processing divisions
- More than 20 primary and alluvial diamond deposits under development
- Europe's largest cutting complex
- Own jewelry production
- More than 60 structural divisions, subsidiaries and associates



6

MINING AND PROCESSING DIVISIONS



more than 20

PRIMARY AND ALLUVIAL DIAMOND DEPOSITS UNDER DEVELOPMENT

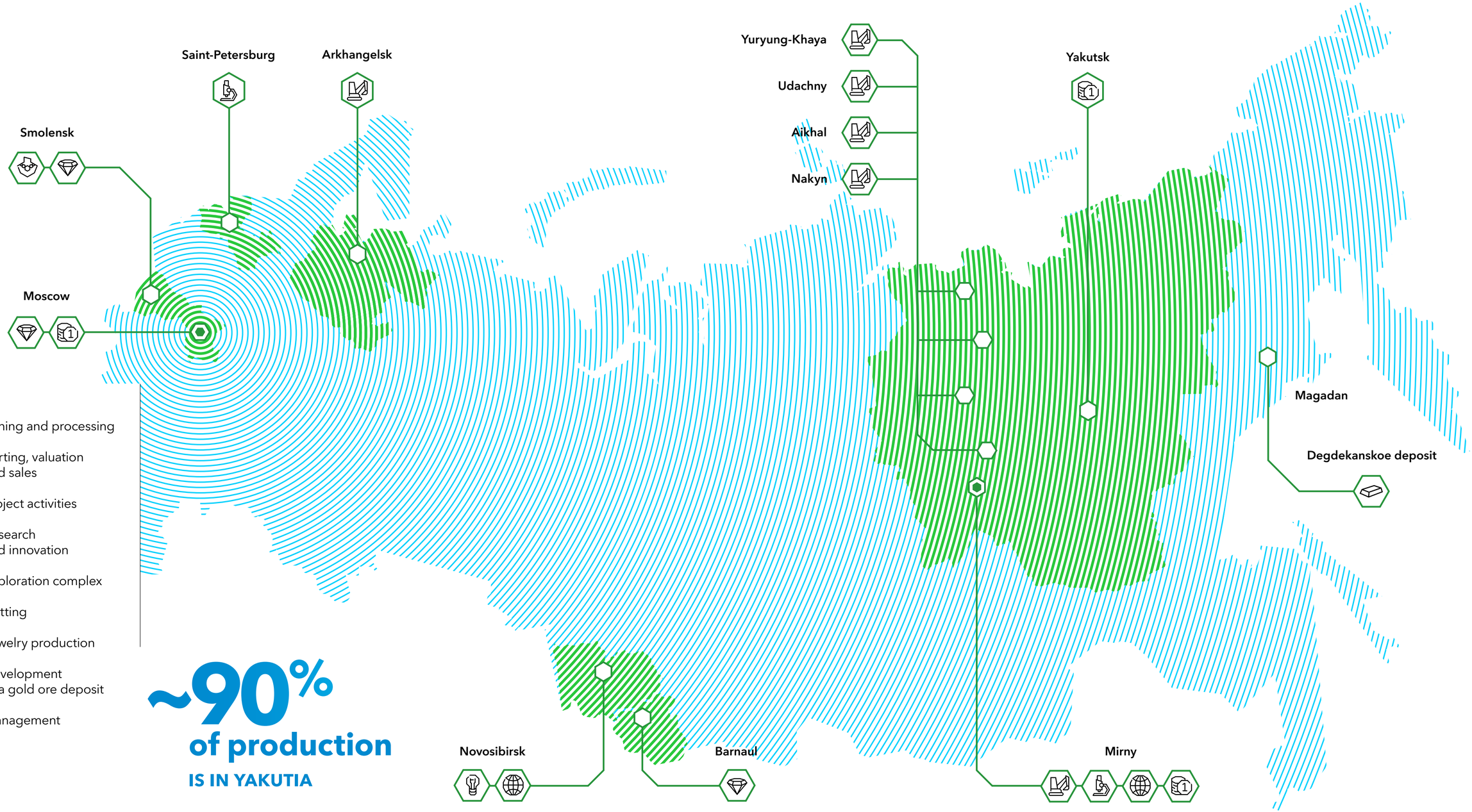


more than 60

STRUCTURAL DIVISIONS, SUBSIDIARIES AND ASSOCIATES

GRI 14.13.1

[1] In accordance with the legislation of the Russian Federation, ALROSA does not engage in artisanal diamond mining and does not cooperate with artisanal and small-scale diamond mining operators, and does not purchase diamonds from them.


Saint-Petersburg
Arkhangelsk
Yuryung-Khaya
Udachny
Yakutsk
Smolensk
Aikhal
Nakyn
Moscow
Magadan
Degdekanskoe deposit
Mining and processing
Sorting, valuation and sales
Project activities
Research and innovation
Exploration complex
Cutting
Jewelry production
Development of a gold ore deposit
Management
~90%
of production
IS IN YAKUTIA
Novosibirsk
Barnaul
Mirny

Business Model

GRI 2-1 GRI 2-6 GRI 3-3

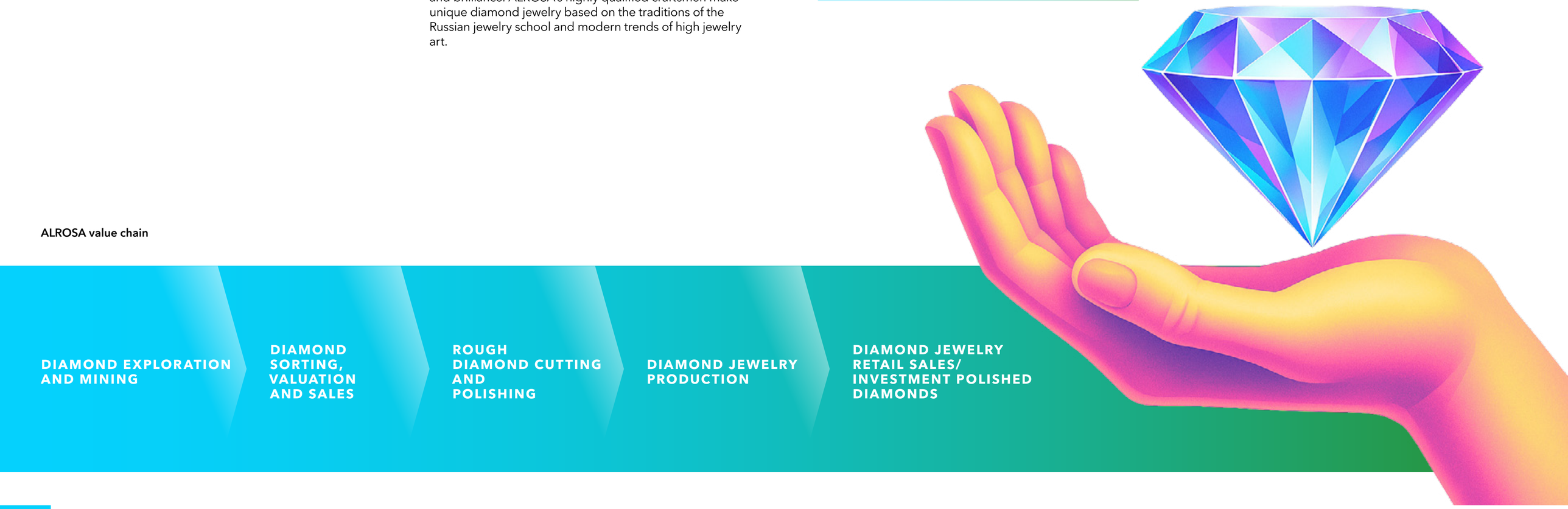
ALROSA's business strategy is aimed at ensuring stable production and revenue indicators, strengthening market positions and expanding competitive advantages in the global diamond market. The Company aims to create maximum value for shareholders and other stakeholders. ALROSA Group's parent company and key asset, PJSC ALROSA, is a public joint stock company with state participation. A distinctive feature is the participation of indigenous peoples in making strategic decisions of the Company, since part of the shares belongs to the uluses of Yakutia.

ALROSA fully controls the entire journey of rough diamonds from the mine to jewelry production and guarantees the natural origin of its rough diamonds and high quality of products. All rough diamonds are evaluated and sorted in accordance with Russian and international standards and master samples for quality and color. High-quality rough stones are delivered to ALROSA's cutting enterprises, where experts of the Company create 3D models of diamonds and carefully calculate the best possible cut. The entire process of manufacturing – from marking to polishing – can last several months. ALROSA maintains the traditions of the worldwide renowned "Russian cut" and creates polished diamonds with impeccable proportions and brilliance. ALROSA's highly qualified craftsmen make unique diamond jewelry based on the traditions of the Russian jewelry school and modern trends of high jewelry art.

In 2024, the situation in the global diamond industry was characterized by a price adjustment due to the continued availability of large quantities of rough diamonds and polished diamonds in the midstream, while demand for jewelry products stabilized. In this context, diamond mining companies adjusted their production schedules, including "price over volume" sales strategy. Despite external challenges, in 2024 ALROSA produced more than 33 million carats of rough diamonds and retained its position as a leader in the global diamond mining industry.

For more details on the key markets of presence, operating and financial performance of ALROSA, dividend policy in the reporting year, see the Company's 2024 Annual Report

ALROSA value chain



MED-1 MED-14 MED-20 MED-21 MED-22 MED-26 MED-27

ALROSA'S BUSINESS MODEL

ALROSA'S RESOURCES

Natural

- **67 SUBSOIL LICENSES** in Russia [1] for diamond mining

Operational

- **6** mining and processing divisions
- **9** open-pit mines
- **3** underground mines
- **14** alluvial deposits
- **3** diamond cutting enterprises
- **JEWELRY PRODUCTION**

Financial

- **RUB 59 BILLION** – capital expenditures
- **RUB 11.4 BILLION** – environmental costs
- **RUB 3.1 BILLION** – OHS expenses
- **RUB 2.7 BILLION** – IDTMP financing [2]

Intellectual

- **86 PATENTS**
- Yakutniproalmaz Institute
- Single processing division of ALROSA Vilyuyskaya Geological Exploration Expedition
- IT Center, Production Systems Center, Digital Laboratory

Human resources

- **35.5 THOUSAND** [3] employees

Social and reputational

- **RUB 8.1 BILLION** – social investments in the regions of operations and financing of social programs for employees
- **COOPERATION AGREEMENTS WITH REGIONS**

COMPANY'S OPERATIONS

Production and Sales

Exploration and evaluation

Diamond mining

- **33.1 MILLION CARATS** – production volume

Diamond sorting and valuation

- **> 8 THOUSAND** positions in terms of quality, color and **16** size and weight groups

Cutting

- Production of polished diamonds, including rare and large ones, using automated operations

Jewelry production

- Production and sale of jewelry in jewelry stores and online stores

Sales and marketing

Products

- Gem-quality diamonds
- Industrial diamonds
- Polished diamonds
- Diamond jewelry

2021–2025 Sustainability Programme pillars

Governance and business ethics

- **RUB 244 BILLION** revenue, including income from subsidies
- **RUB 57.2 BILLION** taxes and mandatory payments
- **0 CONFIRMED CASES** of fraud and corruption

Occupational health and safety

- **LTIFR – 0.24** for ALROSA Group's employees
- **17.6 THOUSAND PEOPLE** number of employees who completed OHS training

Development of human capital

- **72%** share of employees who received training
- **RUB 190 THOUSAND** average salary of employees
- **31%** – share of women in the total workforce

Environmental protection

- **89%** share of reused and recycled water
- **2.1 MILLION T CO_2-E.** GHG emissions (Scope 1, 2 and 3)
- **46%** – share of renewable energy in total energy consumption
- **698 HA** – reforestation area

Development of the regions of operations

- **>6 THOUSAND PEOPLE** people were hired under the Local Staff in Industry program
- **12%** – share of indigenous people in the total headcount
- **28%** – share of purchases from local suppliers [4]

PERFORMANCE

For more details on value creation and distribution, see page 9
For more details on the Company's performance in certain areas of activity in 2024, see the relevant sections.

[1] Subsoil licenses related to the exploration, assessment, geological study and mining of rough diamonds.
[2] Innovative Development and Technological Modernization Program.
[3] The number of Company employees as of 31.12.2024 is indicated.
[4] Including intra-group transactions.

GRI 201-1 MED-1

Direct economic value generated and distributed RUB million[1]

INDICATOR	2021	2022	2023	2024	STAKEHOLDERS FOR WHOM VALUE IS CREATED
Economic value generated	**339,665**	**325,077**	**334,723**	**254,110**	
Sales revenues	326,973	295,439	322,567	239,067	A wide range of stakeholders
Income from government grants	5,031	4,729	3,954	5,005	
Share of net profit of associates and joint ventures	2,527	2,528	2,529	13,899	
Interest income	2,079	4,894	6,837	12,872	
Foreign exchange gains	1,035	1,118	1,525	– 10,581	
Other operating income	2,020	16,369	– 2,689	– 6,152	
Economic value distributed	**288,473**	**202,054**	**261,126**	**213,548**	
Operating costs	98,519	61,073	45,754	43,717	Employees, suppliers, contractors
Salaries, payroll contributions and other employee benefits	61,537	71,316	80,680	90,623	Employees
Payments to providers of capital[2]	70,417	4,737	48,177	27,296	Shareholders, investors and creditors
Payments to government[3]	51,981	59,388	80,066	45,533	Government authorities (federal / regional / municipal)
Community investments, charity	6,019	5,540	6,449	6,379	Local communities
Economic value retained	**51,192**	**123,023**	**73,597**	**40,562**	

2024 highlights

SUSTAINABILITY PROGRAMME PILLAR	HIGHLIGHTS
Human capital development	■ The process of recruiting was streamlined, and avenues for attracting potential candidates were broadened, including the establishment of a referral program ■ The system of adaptation of new employees has been improved ■ An initiative was launched to provide training for individuals currently without jobs, leading to potential employment
Occupational health and safety	■ The occupational health and safety management system of PJSC ALROSA was certified for compliance with GOST R ISO 45001-2020 ■ The Center for Monitoring Safe Operation of Vehicles was organized ■ The procedure for organizing the process of expert review of the industrial safety of technical devices was approved
Environmental protection	■ The 2035 Environmental Strategy and Climate Strategy were approved ■ Receipt of the carbon neutrality certificate for ALROSA's Diamond Mining and Processing Operations for 2023 and 2024 ■ ALROSA Group approved the 2028 Comprehensive Programme for Environmental Protection and Environmental Safety
Development of the regions of operations	■ Five social projects in the Mirninsky District underwent an assessment ■ A review of social and charitable activities was conducted ■ Comprehensive Program for the Development of and Support for Indigenous Small-Numbered Peoples of the North was approved
Corporate governance and ethics	■ Development of the Recommendations for Assessing Corruption Risks in Business Processes ■ Internal assessment of the compliance and internal control system ■ Preparation of a register and a map of significant sustainability risks and opportunities, including a risk assessment methodology and risk certificates ■ Development of the concept of ALROSA's ethics ombuds function ■ Creation of a single Production System Center which embraced the functionality of key divisions responsible for the production digitalization

[1] The data source is the IFRS consolidated financial statements (using the accruals method). GRI 201-1 does not take into account some non-cash items, the most significant of which is PP&E depreciation. In accordance with the requirements of the standard, the indicator is calculated based on the accrual method.
[2] Payments to capital providers include financial expenses on exchange-traded bonds denominated in rubles with a floating rate, Eurobonds, exchange-traded bonds denominated in rubles, bank loans, replacement bonds denominated in US dollars, other liabilities, as well as dividends accrued for the first half of 2024.
[3] Payments to government include the mining tax, property tax, royalties, other taxes, and income tax expenses.

Key sustainability ratings, rankings, indices and awards

MED-39

RAEX EUROPE

RAEX-EUROPE ESG CORPORATE RANKING

2nd out of 21 in the metals and mining sector

4th out of 144 companies overall

Based on the RAEX ESG ranking for 2024, ALROSA's ordinary shares were included in the calculation base of the share index «Moscow Exchange Index – RAEX ESG Balanced» in early 2025.

Expert RATING AGENCY

ESG TRANSPARENCY RANKING

1.74

0–2
(2 – total disclosure)

ACRA

ANALYTICAL CREDIT RATING AGENCY (ACRA)

LEVEL

ESG-3

ESG-AA

a very high ESG rating

RSPP

RESPONSIBILITY AND TRANSPARENCY INDEX

CATEGORY

A

A to C
(A – max score)

SUSTAINABILITY VECTOR INDEX

GROUP

A

A to C
(A is the best group)

РОССИЙСКИЙ ИНСТИТУТ ДИРЕКТОРОВ

NATIONAL CORPORATE GOVERNANCE RATING [1]

8+

from 1 to 10
(10 – max score)

ЭКОТЕХ-ЛИДЕР 2024
Национальная премия в области экологических технологий

Winner of the IV National Award in Environmental Technologies
(for the project to preserve and replenish biodiversity in ALROSA's area of operations in the Republic of Sakha (Yakutia))

Forbes

Gold status

in the rating of the best employers in Russia for their contribution in the «Employees and Society» category

Platinum status

in the rating of the best employers for their contribution in the «Ecology» and «Corporate Governance» categories

Rostelecom

BUSINESS AS ART

Winner of the award for the best digital projects in the category "PRO Trust"
(for the project to create fiber-optic infrastructure to ensure reliable communication lines for six settlements in Yakutia and four mines)

[1] The rating was retained based on the monitoring conducted in 2024.

Membership in organizations and associations

GRI 2-28

SUSTAINABILITY ORGANIZATIONS

- United Nations Global Compact
- UN Global Compact Local Network
- Expert Council on Sustainable Development under the Ministry of Economic Development of the Russian Federation
- Working Group of the Russian Union of Industrialists and Entrepreneurs (RSPP) Committee on Ecology and Environment Management for Biodiversity Conservation

PROFESSIONAL AND INDUSTRY ASSOCIATIONS

- “Chamber of Commerce and Industry of the Republic of Sakha (Yakutia)“ Union
- Union of Manufacturers of the Republic of Sakha (Yakutia)
- Non-Profit Partnership “Solid Minerals Technology Platform“
- Natural Resources Users Association "National Association for expertise of subsoil"
- Association of self-regulatory organizations “Union of Builders of Yakutia”
- Association “Engineering Surveys in Construction” of the All-Russian Industry Association of Employers
- Self-Regulatory Organization “Northern Design Engineer” Association



SUSTAINABILITY STRATEGY

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2024 HIGHLIGHTS

IMPLEMENTATION OF THE ACTION PLAN FOR 2024 RELATED TO ALROSA GROUP SUSTAINABILITY PROGRAMME FOR 2021-2025

PREPARATION OF A REGISTER AND A MAP OF SIGNIFICANT SUSTAINABILITY RISKS AND OPPORTUNITIES, INCLUDING A RISK ASSESSMENT METHODOLOGY AND RISK CERTIFICATES

ASSESSMENT OF THE MATURITY OF THE SUSTAINABILITY MANAGEMENT SYSTEM

APPROVAL OF THE SUSTAINABILITY PROGRAMME FOR 2025-2029 AND THE ACTION PLAN FOR ITS IMPLEMENTATION

Progress under the 2021–2025 ALROSA Group Sustainability Programme [1]

	TARGET	PROGRESS FOR 2024	PROGRESS SINCE THE PROGRAMME LAUNCH	
GE1 Improving corporate governance and management systems	Incorporating sustainability issues into the Company's management KPIs	The sustainability goals are incorporated into the system of senior management KPIs and cascaded down to the operational level	ALROSA's strategic measures are linked to key performance indicators (KPIs) that are integrated into the incentive system for the Company's management	✓
	Ensuring the diversity of corporate governance bodies	The composition of the Supervisory Board and the Executive Committee meets the diversity principles **17%** – percentage of women in the Executive Committee **7%** – percentage of women in the Supervisory Board	The Company consistently ensures compliance with the principle of diversity of corporate governance bodies	✓
	Participating and improving positions in national and international ESG ratings	The Company participates in Russian ratings, rankings and sustainability indices For more information, see the Key sustainability ratings, rankings, indices and awards section	ALROSA consistently improves its position in ESG ratings. In 2024, the Company was included in RSPP's Responsibility and Transparency and Sustainability Vector indices with maximum ratings, and the Company's ordinary shares were included in the calculation base of the MOEX–RAEX ESG Balanced stock index	✓
GE4 Ensuring responsible supply chains and increasing consumer confidence	Promoting natural/polished diamonds through international industry programs	Generic marketing programs to promote natural diamond jewelry in the markets of friendly countries were implemented	ALROSA has been an active participant in industry-wide generic diamond marketing initiatives; the Company has approved the updated ALROSA ALLIANCE Guidelines on Sustainable Business Development	✓
	Ensuring that 100% of diamond operations are covered by the System of Warranties of the World Diamond Council	In progress in accordance with the Regulation on the Procedure and Terms of Sales of Natural Diamonds	The System of Warranties Guidelines of the World Diamond Council have been integrated into ALROSA's regulatory documents, procedures and practices	✓
	Ensuring compliance with the RJC requirements	The achievement of this ambition does not seem feasible in the period up to 2025	Since the launch of the Programme, ALROSA has successfully passed two certification audits for compliance with the RJC standards, however the fulfillment of this ambition has been suspended due to the geopolitical situation	✗
	Ensuring compliance with the industry self-regulation mechanisms and contributing to their further improvement	ALROSA actively collaborated with partners from the African Diamond Producers Association (ADPA), including for the purpose of developing a single standard for responsible business conduct	The Company has made a significant contribution to the development of industry self-regulation mechanisms, including the creation of a dialogue platform for the BRICS cooperation on diamonds with the participation of African diamond mining countries	✓
	Ensuring that 100% of the diamond supply chain actors are subject to due diligence pursuant to the OECD Guidance	Due diligence is performed in accordance with the Regulations on Responsible Diamond Supply Chain Management	Internal regulatory documents for the due diligence procedure have been approved; an effective compliance risk management mechanism for the relevant area has been developed	✓

✓ Task completed

Task included in 2025–2029 Sustainability Programme

Task in progress

✗ Task not completed

[1] The targets cover the Diamond Mining and Processing Operations.

Key milestones in building the Company's sustainability system

2012

Preparation of the first social and environmental report

Publication of the ALROSA ALLIANCE Guidelines on Responsible Business Practices

Approval of the Policy on Sustainable Development and Corporate Social Responsibility

2014

Joining the Responsible Jewellery Council

First certification audit for compliance with the RJC standards

2016

Participation in the preparation and promotion of the Total Clarity report on socio-economic and environmental impacts of the diamond industry (a project of the Natural Diamond Council (NDC))

2017

Identification of top-priority UN Sustainable Development Goals and disclosure of the contribution to these goals in the Sustainability Report for 2019

2018

Establishment of the Sustainability Working Group (management level)

2019

The Strategic Planning Committee under the Company's Supervisory Board renamed the Strategy and Sustainability Committee with additional functions

Joining the UN Global Compact

Independent diagnostic review of the sustainability management system

Publication of the 2025 ALROSA Group Sustainability Program and the Action Plan for its implementation

Creation of ESG Databook

2020

Publication of the revised Sustainability Policy

Approval of the Human Rights Policy and launch of a human rights training course

2021

Approval of a number of sustainability policies in accordance with the Sustainability Action Plan

Joining the Association "National Network of the Global Compact" project to form a human rights expert community and the UN Global Compact Gender Equality Accelerator

Participation in the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28)

2022

Repeated independent diagnostic of the sustainable development management system conducted to assess the Company's progress

Publication of the ALROSA Group Sustainability Program for 2025–2029 and approval of the Action Plan for its implementation

2023

Approval of ALROSA Group Environmental Strategy and Climate Strategy until 2035

Participation in the 29th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP29)

Obtaining a certificate on the carbon neutrality of ALROSA's Diamond Mining and Processing Operations

2024



Strategic pillars and ambitions

GRI 2-23 GRI 2-24 MED-35

ALROSA's corporate strategy and mission are inextricably linked with the concept of sustainability. In the reporting year, responsible business practices allowed the Company to flexibly respond to market developments, effectively adapt to changing conditions and competently manage sustainability risks and opportunities.

For more information on the impact of macroeconomic and sectoral trends on ALROSA strategic priorities, see the Company's 2024 Annual Report.

Sustainability principles are integrated into all areas of the Company's operations and incorporated in its mission and the Strategy of ALROSA Group for 2024–2028, as well as in its corporate policies and standards. The key document describing ALROSA's approach to sustainability management is the Sustainability Policy.

The Company's documents governing each area of sustainable development are specified in relevant sections of this report.

ALROSA has been a participant in the UN Global Compact since 2021 and its Country Network – since 2023. The Company annually submits the Communication on Progress (CoP), thus confirming its commitment to the ten principles of the UN Global Compact and reporting on compliance with these principles. Every year for 14 years, ALROSA has been publishing sustainability reports that provide transparent information on its ESG initiatives, events held in the reporting year and the Company's plans for subsequent periods. The publication of reports allows the Company not only to inform all stakeholders about the results achieved, but also to monitor its own sustainability performance.

From 2021 to 2024, the Company acted in accordance with the ALROSA Group Sustainability Programme for 2021–2025 (hereinafter the 2021–2025 Programme). The 2021–2025 Programme identified strategic priorities (pillars) and included 24 ambitions and 52 key targets for each pillar. The Company has successfully implemented this Programme with the help of specially developed Action Plans. These Action Plans were, in turn, included in the key performance indicators (KPIs) of the Chief Executive Officer – Chairman of the Executive Committee (10%) and the members of the Executive Committee (5%). In the reporting period, ALROSA implemented the Action Plan for 2024 under the 2021–2025 Programme.

To improve the Company's sustainability practices and update its strategic goals and objectives, ALROSA underwent an external assessment of the maturity of its sustainability management system in 2024. The assessment was carried out by an independent consultant in accordance with the requirements of international and Russian sustainability standards and regulations, as well as the best global ESG practices and approaches. According to the experts, ALROSA's sustainability management system has reached an advanced level of maturity. The recommendations given as a result of the assessment have been carried out by the Company, including to develop its new Sustainability Programme for 2025–2029.

The 2025–2029 Sustainability Programme (hereinafter the 2025–2029 Programme) was approved by the Supervisory Board on 28 December 2024. ALROSA has retained its strategic pillars determined as a result of analyzing ALROSA Group's risks and impacts on sustainability aspects, the development prospects for the diamond industry and the national ESG agenda. Following best practices, ALROSA has combined its ambitions related to people and health and safety into a single strategic pillar of creating decent and safe working conditions for ALROSA Group employees.

ALROSA's strategic pillars under the 2025–2029 Programme



[1] Approved by the Supervisory Board on 20.06.2024. In 2025, the Supervisory Board approved the ALROSA Group Development Strategy for the period 2025-2029 (approved on 20.03.2025).
[2] The assessment applied the maturity scale from 1 to 5, where 1 is the basic level of development and 5 is the best practice. The advanced level corresponds to the fourth level of maturity.

The 2025–2029 Programme reaffirms ALROSA's commitment to the UN Sustainable Development Goals, 13 of which are identified as priorities for the Company. ALROSA has set 15 ambitions and 34 targets for the four strategic pillars under the 2025–2029 Programme. Now, the base year is 2023 (against 2019 previously).

The scope of the 2025–2029 Programme has been expanded from five diamond mining and processing companies to the entire ALROSA Group to bring it closer to the boundaries of the business strategy and annual sustainability reporting. The measures to be taken under each pillar of the 2025–2029 Programme are specified in the Action Plan for 2025–2026 approved by the Company.

In the medium term, the Company is planning to integrate the ambitions and targets of the 2025–2029 Programme into the KPI management system of ALROSA's subsidiaries, revise the Code of Corporate Ethics, update the register and maps of significant sustainability risks, including a risk assessment methodology and risk certificates.

For more information on the results of implementing measures in specific areas, see the relevant sections of this report.

Sustainability management system

GRI 3-3

ALROSA's sustainability management mechanisms are organically integrated into the overall corporate management system. Sustainability principles underlie both the Company's strategic planning and operations.

GRI 2-12 GRI 2-14

The Supervisory Board of PJSC ALROSA is responsible for determining strategic priorities and long-term goals, as well as assessing the sustainability results achieved. The Supervisory Board establishes performance indicators to assess the Company's sustainability performance and approves key documents in this area. The Supervisory Board also approves ALROSA's annual sustainability reports.

GRI 2-9

Organizational structure of sustainability management



Changes within the 2025–2029 Programme

	2021-2025 PROGRAMME	2025-2029 PROGRAMME
BOUNDARIES (SCOPE)	**5 COMPANIES** ALROSA Diamond Mining and Processing Operations	**30 COMPANIES** the entire ALROSA Group to bring it closer to the scope of consolidated International Financial Reporting Standards (IFRS) reporting
STRATEGIC PILLARS	**5 PILLARS** ■ People ■ Health and safety ■ Environment ■ Communities ■ Governance and ethics	**4 PILLARS** ■ Decent and safe working conditions ■ Healthy environment and climate ■ Thriving communities ■ Robust governance and ethics
BASE YEAR	2019	2023

Composition of the Supervisory Board of PJSC ALROSA as of 31 December 2024

● Chairman

1 – The Audit Committee
2 – The Strategy and Sustainability Committee
3 – The HR and Remunerations Committee

NAME OF THE SUPERVISORY BOARD MEMBERS	PARTICIPATION IN COMMITTEES OF THE SUPERVISORY BOARD		
	1	2	3
Anton Siluanov Chairman of the Supervisory Board			
Aysen Nikolayev First Deputy Chairman of the Supervisory Board		●	
Sergey Ivanov Deputy Chairman of the Supervisory Board		●	
Pavel Bagynanov		●	
Evgenia Grigorieva independent director	●	●	●
[Name not disclosed]		●	
Andrey Donets independent director	●	●	●
Sergey Dyachenko senior independent director	●	●	●
Andrey Lobashev		●	
Pavel Marinychev		●	
Sergey Mestnikov		●	
Alexey Moiseev		●	
Igor Nikolayev		●	●
Andrey Ryumin		●	
Petr Fradkov		●	

GRI 2-9 GRI 405-1 MED-37

The members of the Supervisory Board of ALROSA are highly qualified and have deep knowledge and considerable experience of strategic management, international cooperation, risk management and sustainable development[1]. Their expertise helps them correctly determine the Company's development vectors, set up productive partnerships and formulate a balanced strategy with due regard for the economic, social and environmental aspects of operations.

GRI 2-13 GRI 2-16

The Supervisory Board has an advisory body – the Strategy and Sustainability Committee – established for preliminary consideration of strategic planning and sustainable development issues. The Committee monitors the implementation and assesses the effectiveness of ALROSA Group Development Strategy, controls the achievement of ALROSA's internal sustainability goals, and develops proposals to introduce best sustainability practices into the Company's operations. The Committee's duties also include preliminary consideration and development of recommendations to the Supervisory Board concerning the preparation and approval of sustainability reporting and the Company's participation in international initiatives and associations for responsible business conduct. Since the beginning of 2025,[2] the Committee has also been entrusted with advising the Supervisory Board on improving the industrial safety management system.

In 2024, 25 meetings of the Supervisory Board and nine meetings of the Strategy and Sustainability Committee were held. The Supervisory Board approved the following:

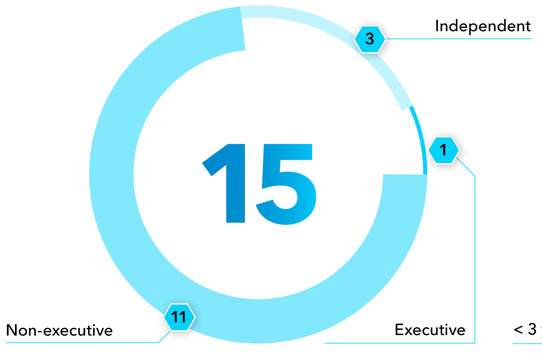
- Strategy of ALROSA Group;
- Long-Term Development Program;
- Long-Term Investment Program;
- Updated Digital Transformation Strategy of PJSC ALROSA;
- ALROSA Group Environmental Strategy until 2035;
- ALROSA Group Climate Strategy until 2035.

The Strategy and Sustainability Committee considered, among other things, the results of implementing the Sustainability Programme Action Plan for 2023 and measures to develop industrial safety in 2024–2025 within the framework of the 2021–2025 Health and Safety Strategy.

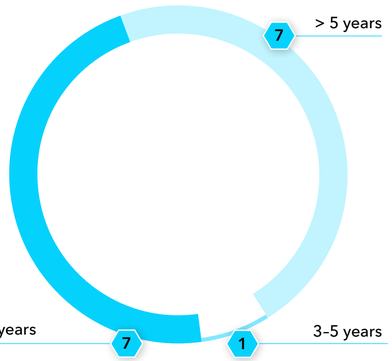
For more details on the work of the Supervisory Board and its committees in the reporting year, see the 2024 Annual Report.

MED-44

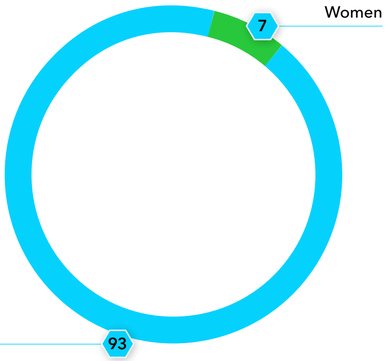
General information on the Supervisory Board[3]



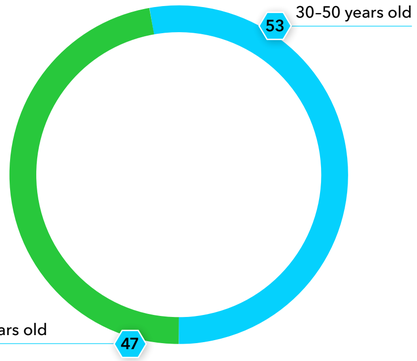
Term of office persons



Breakdown by gender %



Breakdown by age %



[1] The competency map of PJSC ALROSA's Supervisory Board members is published on the Company's website.
[2] The relevant amendments were introduced into the Regulation on the Strategy and Sustainability Committee of the Supervisory Board of PJSC ALROSA by the Supervisory Board of PJSC ALROSA on 21.02.2025.
[3] The independence criteria applied by the Company are described in PJSC ALROSA's Code of Corporate Governance.

GRI 2-9 GRI 2-19

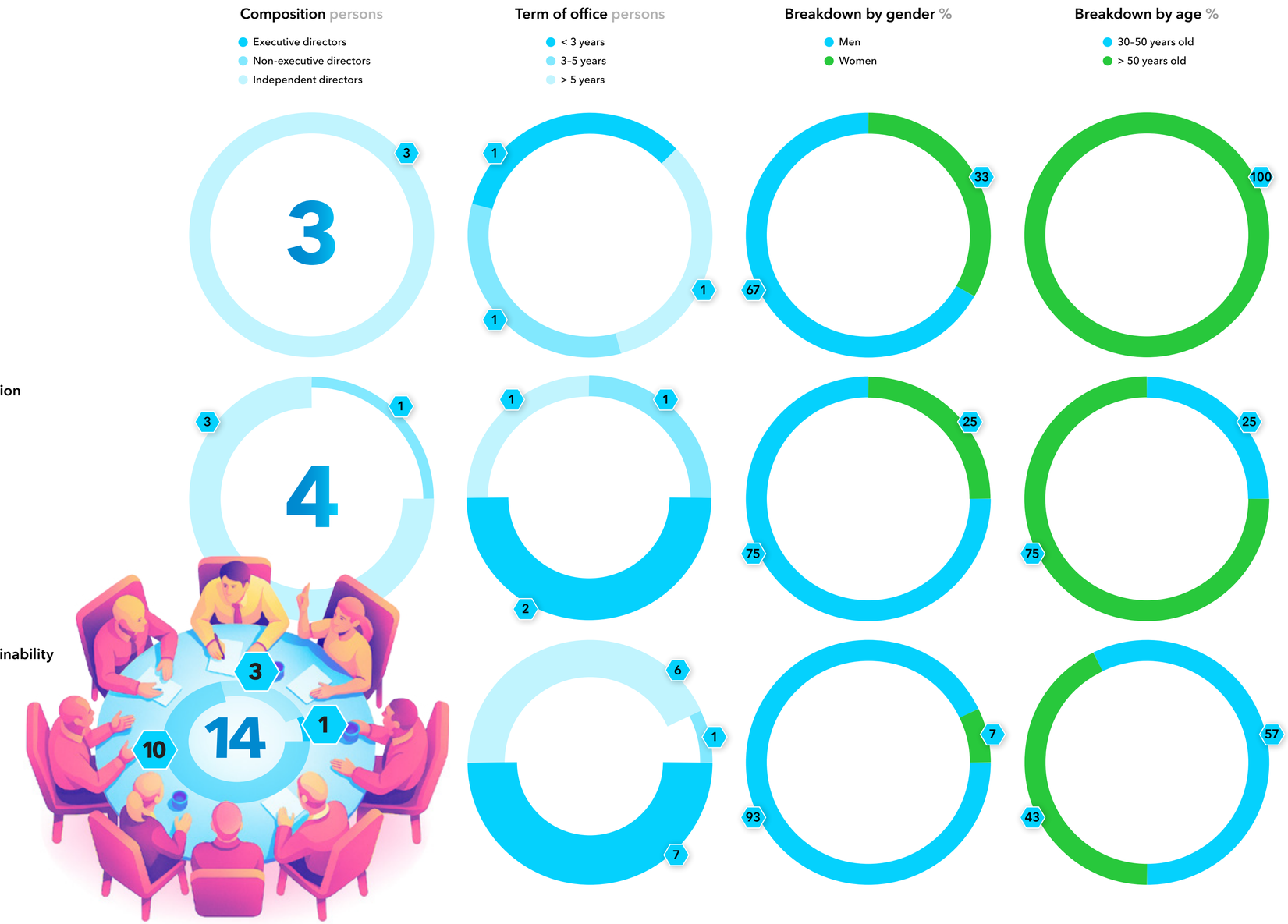
The Chief Executive Officer – Chairman of the Executive Committee exercises control over the implementation of the Supervisory Board's decisions related to sustainable development. The CEO – Chairman of the Executive Committee performs operational management of the Company and ensures an effective distribution of functions and powers between structural and functional divisions. ALROSA assesses its progress in this area on a regular basis: responsible divisions provide the CEO – Chairman of the Executive Committee with quarterly reports on the fulfillment of tasks included in the Sustainability Programme Action Plan. The Company prepares an annual progress report for consideration by the Strategy and Sustainability Committee and the Audit Committee of ALROSA's Supervisory Board.

The Action Plan implementation is included in ALROSA Group annual KPIs and has an impact on the remuneration of the CEO – Chairman of the Executive Committee and the members of the Executive Committee of the Company. The report on the achievement of annual key performance indicators is preliminarily reviewed by the HR and Remuneration Committee and approved by the Supervisory Board.

For more details on ALROSA's approach to remuneration of the members of the Company's Supervisory Board and executive bodies in the reporting year, see the 2024 Annual Report.

Current issues related to sustainable development are discussed at the meetings of the cross-functional Sustainability Working Group that brings together representatives of ALROSA's divisions involved in managing environmental, social, financial, economic and corporate governance aspects of the Company's operations.

Information on the Committees of the Supervisory Board



Management of sustainability-related risks and opportunities



Why is it important to ALROSA?

Effective management of sustainability risks guarantees the Company's resilience in executing its business strategy while allowing for significant adaptability to shifts in external environmental conditions. ALROSA is improving its approaches to risk identification and management, including sustainability risks and opportunities, thereby creating a solid foundation for its future growth.

REGULATORY DOCUMENTS

Internal

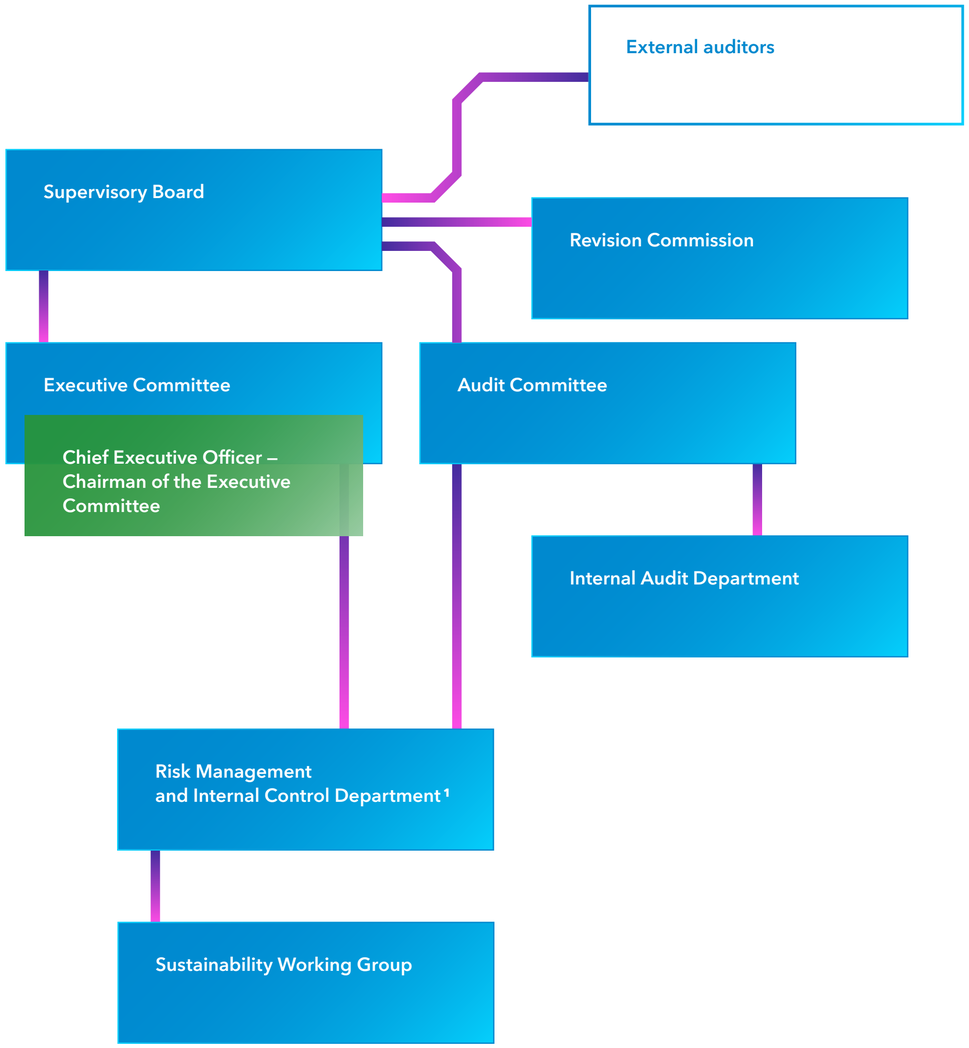
- Risk Management and Internal Control Policy
- Informational Regulation on Risk Management
- Regulation on Internal Audit [1]
- Regulation on the Revision Commission [2]

External

- Federal laws and regulations of the Russian Federation
- ISO 31000:2018, Risk management – Guidelines
- GOST R ISO 31000-2019 “Risk management. Principles and Guidelines”
- GOST R 58771-2019 “Risk management. Risk assessment techniques”
- GOST R 51897-2011 / ISO Guide 73:2009 “Risk management. Terms and definitions”
- COSO Framework

[1] This document is only available in Russian.
[2] The link shows the Regulation on the Audit Commission of PJSC ALROSA approved by the decision of the General Meeting of Shareholders dated 23.05.2025.

ALLOCATION OF RESPONSIBILITY [1]



Responsibilities of management bodies

BODY	RESPONSIBILITY
Supervisory Board	■ Strategic risk management, including approval of internal documents defining the risk management and internal control policy ■ Approval of an annual critical risk report and an Action Plan to mitigate critical risks ■ Approval of a preferred level of risk (risk appetite) ■ Approval of a report on the assessment of reliability and effectiveness of the risk management and internal control system
Chief Executive Officer – Chairman of the Executive Committee	■ Regular monitoring of the Company's overall exposure to risks ■ Critical risk management decisions ■ Preparation of recommendations regarding the approval of internal regulatory documents
Audit Committee	■ Preliminary consideration of an annual critical risk report and an annual Action Plan to mitigate critical risks ■ Preliminary consideration of a preferred level of risk (risk appetite) ■ Preliminary consideration of a report on the assessment of reliability and effectiveness of the risk management system (RMS)
Risk Management and Internal Control Department Previously, the Risk Management Department and the Internal Control and Compliance Department	■ Overall coordination of risk management and internal control processes at the Company ■ Creation and implementation of a development plan for the risk management and internal control system, including the compliance system ■ Promotion of the Company's risk and compliance culture
Sustainability Working Group – risk owner	■ Analysis of business processes to identify and assess supervised risks ■ Preparation, maintenance, timely updating and submission of risk passports to the Risk Management and Internal Control Department ■ Development and implementation of risk mitigation measures, including emergency risk response measures ■ Development, updating and implementation of control procedures aimed at reducing the risk level to an acceptable level ■ Timely and proper performance of control procedures assigned ■ Preparation of proposals to optimize control procedures in order to improve their effectiveness ■ Prompt provision of comprehensive information on risks and control procedures within the scope of its business process, including at the request of employees of the Risk Management and Internal Control Department
Internal Audit Department	■ Independent assessment of the Company's risk management, internal control and corporate governance system ■ Giving recommendations on improving risk management and internal control processes ■ Recommendation follow-up ■ Providing necessary information within the scope of internal audit at the request of the Chairman of the Audit Commission
Revision Commission	■ Auditing the Company's financial and business activities

[1] In 2025, the Risk Management Department and the Internal Control and Compliance Department were merged into the Risk Management and Internal Control Department.

APPROACH TO RISK MANAGEMENT

Risk management at ALROSA is a continuous systemic process that is implemented at all levels and across key business processes. The Company constantly identifies, monitors, analyzes, assesses and responds to risks, including developing measures to reduce the level of risks and monitoring the implementation of these measures. For each identified risk, the Company appoints a risk owner and determines the response method depending on the characteristics and degree of manageability of the risk. At the same time, sustainability risk and opportunity management is integrated into a single risk management system.

ALROSA concentrates on the critical risks that could lead to significant and potentially irreversible damage to the Company or threaten its ability to maintain business operations. ALROSA prepares semi-annual and annual critical risk reports, including risk passports, a map of critical risks and a report on the implementation of the Action Plan to mitigate critical risks, including sustainability risks. An annual critical risk report is approved annually by the Company's Supervisory Board. The current list of critical risks, the results of their reassessment, and risk management measures are considered by the Executive Committee of the Company.



GRI 2-25

The effectiveness and reliability of the risk management and internal control system (hereinafter referred to as RM&ICS) are assessed at least once a year by the Company's Internal Control Department. The report on the results of this assessment is considered by the Chief Executive Officer – Chairman of the Executive Committee and the Audit Committee, and approved by the Supervisory Board. To perform an external assessment of the system effectiveness, the Company engages an independent expert organization at least once every three years. The action plan developed based on the results of this assessment is approved by the Supervisory Board for three years, with the implementation of the plan monitored by the Audit Committee on an annual basis. In 2024, ALROSA performed an external assessment of the risk management and internal control system, following which the Supervisory Board approved the Action Plan for RM&ICS Improvement for 2024–2026.

For more information on approaches and performance of the control bodies of the Company, including the Audit Commission, in the reporting year, see the Annual Report for 2024.

In early 2025, as part of measures to improve the RM&ICS, ALROSA updated its Risk Management and Internal Control Policy,[1] the key document governing the Company's approach to risk management. In the new version of the Policy, the Company updated the list of participants in the risk and control environment management process, the distribution of roles, functions, authorities and responsibilities within the RM&ICS.

For more information on the creation of a combined risk management coordination unit – the Risk Management and Internal Control Department – see the Compliance System section.

To achieve a well-rounded comprehension of the risk management process among staff and to foster a corporate risk culture, ALROSA conducts regular risk management training as part of special programs of the Corporate University. In 2024, 223 ALROSA employees took part in training activities.

[1] This document is only available in Russian.

ALROSA'S APPROACH TO MANAGEMENT OF SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES

CREATION OF REQUESTS FOR ASSESSMENT OF SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES

- Updating the Company's strategies and plans
- Changes in requirements and regulatory documentation
- Requests from external stakeholders
- Preparation of regular reports

PROCEDURE FOR IDENTIFICATION, ASSESSMENT OF SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES AND STORAGE OF THE RELEVANT INFORMATION

- Collection of information and preparation of templates for sustainability-related risks and opportunities
- Creation of risk passports and maps
- Approval of sustainability-related risks and opportunities by the Sustainability Working Group

GENERATION OF SUSTAINABILITY REPORTING DOCUMENTATION [1]

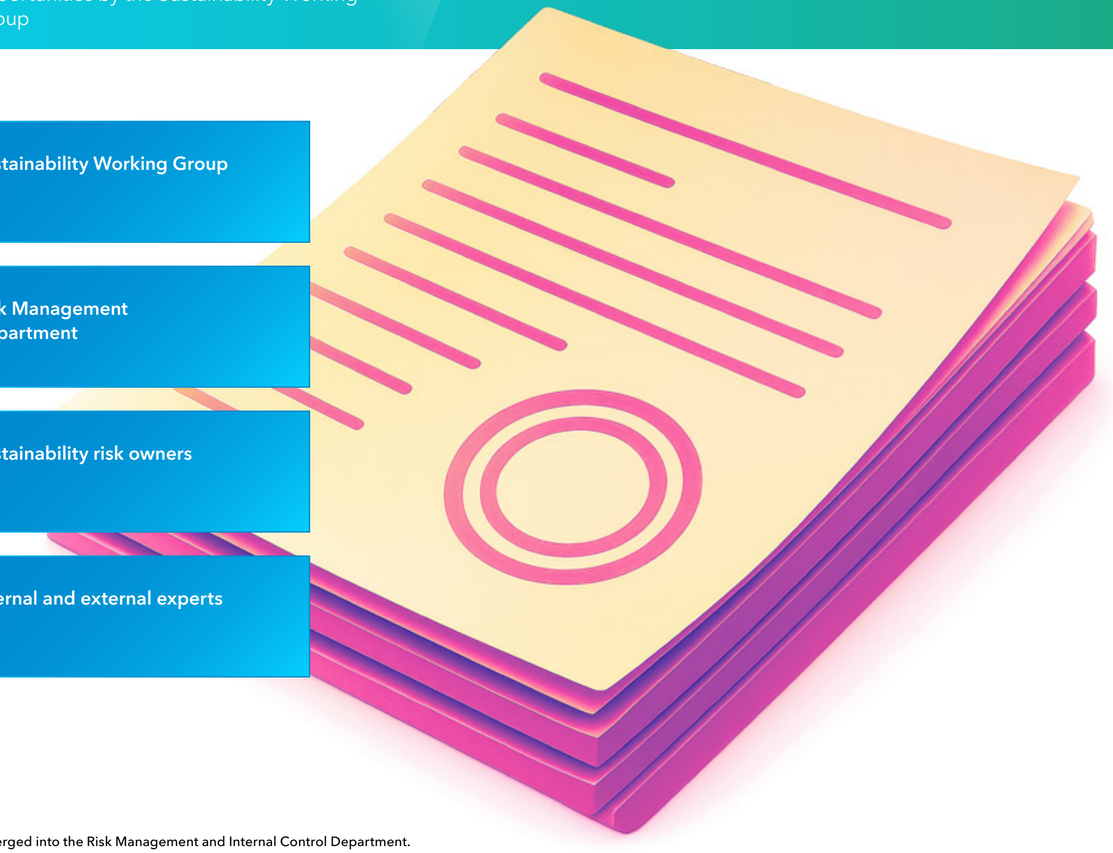
- Annual report for the Supervisory Board
- Sustainability report for stakeholders

DEVELOPMENT OF ACTIVITIES AND UPDATING OF THE COMPANY'S SUSTAINABLE DEVELOPMENT STRATEGY AND INTERNAL REGULATIONS

- Action plan

- Supervisory Board
  - Strategy and Sustainability Committee
- Executive Committee
  - Chief Executive Officer – Chairman of the Executive Committee
- Sustainability Working Group
- External stakeholders

- Sustainability Working Group
- Risk Management Department
- Sustainability risk owners
- Internal and external experts



- Supervisory Board
  - Strategy and Sustainability Committee
- Executive Committee
  - Chief Executive Officer – Chairman of the Executive Committee
- Sustainability Working Group
- External stakeholders

[1] As of 31.12.2024. In 2025, the Risk Management Department and the Internal Control and Compliance Department were merged into the Risk Management and Internal Control Department.

2024 HIGHLIGHTS

In accordance with the Sustainability Programme Action Plan and the Action Plan to Ensure Compliance with Human Rights and Prevent Discrimination in the Workplace, the Company took a number of measures to develop the register of sustainability risks in the reporting period:

- it updated internal regulatory documents on sustainability risks taking into account the recommendations of the Bank of Russia;
- it drafted and approved Methodological recommendations on sustainability risks and opportunities with fixed deadlines for annual updating;
- it identified key risk indicators for hydraulic structures as part of a project 'Determination of key risks associated with permafrost thawing of perennially frozen rocks in hydraulic structures (dams) operated under severe climatic conditions';
- it approved the Sustainability Risk Management Action Plan, specifying the responsible people and the deadlines;
- it completed the second phase of research to assess the impact of climate change on ALROSA's operations.

For more information on hydraulic structure management and climate impact management, see Environmental protection.

In the reporting period, ALROSA prepared and approved a consolidated Register and passports of sustainability-related risks and opportunities. The Company identifies the following key groups of sustainability-related risks and opportunities:

- strategic risks;
- development of human capital;
- occupational health and safety;
- environmental protection (environmental risks);
- development of the regions of operations;
- governance and business ethics.

Human rights risks are included in all key groups of the sustainability-related risks and opportunities. For each sustainability risk, ALROSA has determined the probability, impact (consequences of the risk for the Company) and the overall level of risk according to the approved materiality matrix using the expert method. The Company has also developed a list of activities to mitigate sustainability risks, specifying the deadlines and assigning responsibility.



Key sustainability-related risks and opportunities of ALROSA

GROUP OF SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES	RISK / OPPORTUNITY	ACTIVITIES TO MANAGE SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES
SUSTAINABILITY RISKS **Strategic risks**	**Non-compliance with human rights obligations assumed as part of participation in international sectoral organizations** Probability: **low** Impact: **medium** Risk level: **medium** OPEX ▲ Revenue ▼ Capitalization ▼	■ Careful monitoring of changes in applicable human rights regulations, updating of internal regulatory documents in accordance with regulatory requirements ■ Implementation of the UN Guiding Principles on Business and Human Rights ■ Regular training of employees on human rights and non-discrimination ■ Where necessary, an independent assessment of compliance with applicable human rights regulations
	Failure to increase the share of carbon-neutral energy generation Probability: **extremely high** Impact: **low** Risk level: **high** CAPEX ▲ OPEX ▲	■ Implementation of measures related to the transition to natural gas For more details, please see the Climate change and energy efficiency section
Development of human capital	**Reduced opportunities to attract and retain personnel** Probability: **medium** Impact: **high** Risk level: **high** OPEX ▲ Revenue ▼	■ Implementation of a set of measures to promote the Company's HR brand ■ Monitoring and analysis of the HR market to maintain competitive wages and update the incentive system, monitoring employee satisfaction ■ Availability of an effective system for onboarding new employees and developing the talent pool ■ Organization of university departments in relevant specialties as part of cooperation with educational institutions, internship opportunities for young specialists For more information on events, see the Development of human capital section
	Violation of employees' right to decent working conditions Probability: **medium** Impact: **medium** Risk level: **high** OPEX ▲ Revenue ▼	■ Implementation of measures to ensure equal employment opportunities for all categories of current and potential employees, investigation of 100% of reports to the Compliance Hotline on any labor rights issues ■ Implementation of a grading system to ensure fair remuneration of employees regardless of gender, age and other characteristics ■ Implementation of a system of financial and non-financial incentives for employees, implementation of social support programs (housing program, wellness program, etc.) ■ Employment advisory support (in case of lay-offs) For more information on events, see the Development of human capital section
Occupational health and safety	**Fatalities, accidents and disasters** Probability: **medium** Impact: **medium** Risk level: **high** CAPEX ▲ OPEX ▲ Revenue ▼	■ Annually introducing forward-looking strategies to enhance industrial safety, along with creating new standards and updating current standards, regulations and other local guidelines related to industrial safety ■ Consistent assessment of occupational risks related to identified hazards, analysis of the effectiveness of existing management measures and their improvement For more information regarding the activities, see the Occupational health and safety section

SUSTAINABILITY RISKS

GROUP OF SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES	RISK / OPPORTUNITY	ACTIVITIES TO MANAGE SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES
Occupational health and safety 	**Failure to ensure safe working conditions during production activities** Probability: **low** Impact: **high** Risk level: **high** CAPEX ▲ OPEX ▲ Revenue ▼	■ Occupational Safety Department's continuous control over OHS regulation compliance ■ Implementation of measures to assess and improve the three-level production control mechanism ■ Providing employees with advanced certified personal protective equipment ■ Therapeutic, preventive, sanitary and hygienic measures to reduce the impact of harmful and hazardous production factors ■ Regular OHS training, briefings and certification of employees ■ Introduction of new technologies and means of labor mechanization and improvement of industrial safety and the safety of production facilities
Development of the regions of operations 	**Failure to build / maintain social infrastructure** Probability: **medium** Impact: **high** Risk level: **high** OPEX ▲ Revenue ▼	■ Regular analysis of stakeholder needs, taking into account the specifics of the regions of operations and ensuring transparency of decisions through various communication tools ■ Assessment of the effectiveness of social and charitable events with the collection of feedback from representatives of state authorities of the regions of presence, Company employees and direct beneficiaries as part of social projects In 2024, the Company conducted an external assessment of the effectiveness of five of its social projects in accordance with the Regulations on Social Impact Assessment, as well as an external assessment of its social and charitable activities as a whole. The recommendations developed further to the assessments were taken into account when developing the Sustainability Programme for 2025–2029
	Human rights violations in the supply chain Probability: **low** Impact: **medium** Risk level: **medium** OPEX ▲	■ Application of the Suppliers Business Ethics Code containing requirements for business partners to respect human rights ■ Regular training for employees on human rights and business ethics ■ Inclusion of human rights requirements in a standard contract with business partners ■ Survey of significant suppliers on human rights issues to monitor the situation
Environmental protection 	**Critical climate change and the resulting degradation of environmental quality** Probability: **low** Impact: **high** Risk level: **high** CAPEX ▲ OPEX ▲ Revenue ▼	■ Research into climatic microzoning and key indicators of climate-related risks ■ Continuous monitoring of the condition of assets and rocks forming the foundation of industrial and social facilities
	Failure to ensure efficient water use and water disposal Probability: **medium** Impact: **medium** Risk level: **high** OPEX ▲	■ Implementation of technical and technological solutions to ensure recycled water supply and re-injection of associated water into underground aquifers ■ Continuous implementation of resource-saving measures (development and implementation of new technologies for processing, dewatering of tailings, treatment of wastewater) to reduce the intake of fresh water through recycled water supply

For more information regarding the activities, see the Environmental protection section

GROUP OF SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES	RISK / OPPORTUNITY	ACTIVITIES TO MANAGE SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES
SUSTAINABILITY RISKS		
Environmental protection	**Failure to achieve the set indicators of resource saving and responsible production** Probability **high** Impact **low** Risk level **high** OPEX ▲	Activities to reduce waste generation and disposal by increasing the share of waste recycling or neutralization, including: ■ creation of a centralized system for handling packaging materials ■ increasing the lifecycle of products and materials ■ use of mud and sludge from treatment facilities as a fertilizer for reclamation ■ selective collection of municipal solid waste ■ sending waste to specialized organizations for recycling
	Infringing upon stakeholders' right to a beneficial habitat and access to natural resources Probability **low** Impact **medium** Risk level **medium** OPEX ▲	■ Monitoring and audits of hydraulic facilities' safety ■ Implementation of liability insurance programs connected to accidents ■ Implementation of an incentive system and development of employees' environmental protection competencies ■ Implementation of the Environmental and Climate Strategies
Governance and business ethics	**Increased tolerance to corruption** Probability **medium** Impact **medium** Risk level **high** OPEX ▲ Revenue ▼	■ Promotion of a corporate culture stipulating zero tolerance to corrupt practices; integration of anticorruption values into the system of internal regulations to mitigate corruption risks ■ Regular anticorruption and business ethics trainings ■ Maintaining a robust system for providing feedback and addressing potential instances of corruption ■ Regular assessment of the effectiveness of anticorruption management and implementation of the improvement measures
	Conflict of interest in business processes Probability **medium** Impact **medium** Risk level **high** OPEX ▲ Revenue ▼	■ Maintaining a system of anticorruption compliance and procedures aimed at conflict of interest management ■ Prevention of corruption offenses, monitoring and management of conflict of interest risks, anticorruption compliance performed by specific functional divisions ■ In addition to regular anticorruption and conflict of interest training for all employees, organization of training sessions and webinars for employees involved in business processes with increased corruption risks ■ Implementation of measures to automate and centralize the collection of information on conflicts of interest
	Reduced innovation dynamics Probability **low** Impact **medium** Risk level **medium** CAPEX ▲ OPEX ▲ Revenue ▼	■ The existing 2024 Innovative Development and Technological Modernization Program of PJSC ALROSA aligned with the priorities of the Strategy and the Long-Term Development Program of ALROSA Group. ■ In 2024, the Company began updating its IDTMP for the period up to 2028, while also planning for development through 2030. The changes to the Program, in addition to strategic goals, take into account external factors affecting the Company's operations ■ Innovation development activities in partnership with research centers and institutes of the Russian Academy of Sciences, higher education institutions, small and medium-sized businesses
SUSTAINABILITY-RELATED OPPORTUNITIES		
Environmental protection	**Possibility of absorbing greenhouse gases with kimberlite** CAPEX ▲ OPEX ▼ The benefits of implementing a potential climate project can exceed investment costs[1]	■ Completion of the study of the capacity of kimberlite ore to absorb carbon dioxide ■ A quantitative assessment by independent experts and their confirmation of the carbon neutrality of ALROSA's Diamond Mining and Processing Operations in 2023 and 2024 ■ Approval of ALROSA's corporate standard "Methodology for Quantifying Carbon Dioxide Absorption" and incorporation of greenhouse gas emission offsets resulting from kimberlite carbonization into the list of strategic activities

[1] Monetization of the results of the climate project (carbon units) will provide additional financial benefits. In addition, if a system for charging fees for greenhouse gas emissions (carbon prices) is introduced in the Russian Federation, the implementation of the climate project will reduce the financial burden on the Company.

NEXT STEPS

In 2025, ALROSA intends to:

- update the Register and passports of sustainability-related risks and opportunities;
- prepare a roadmap for using the results of cascading critical risks;
- launch a risk, internal control and compliance podcast on the Almazny Krai radio to promote a risk-oriented culture;
- continue to develop risk management tools at the level of business processes and business units.

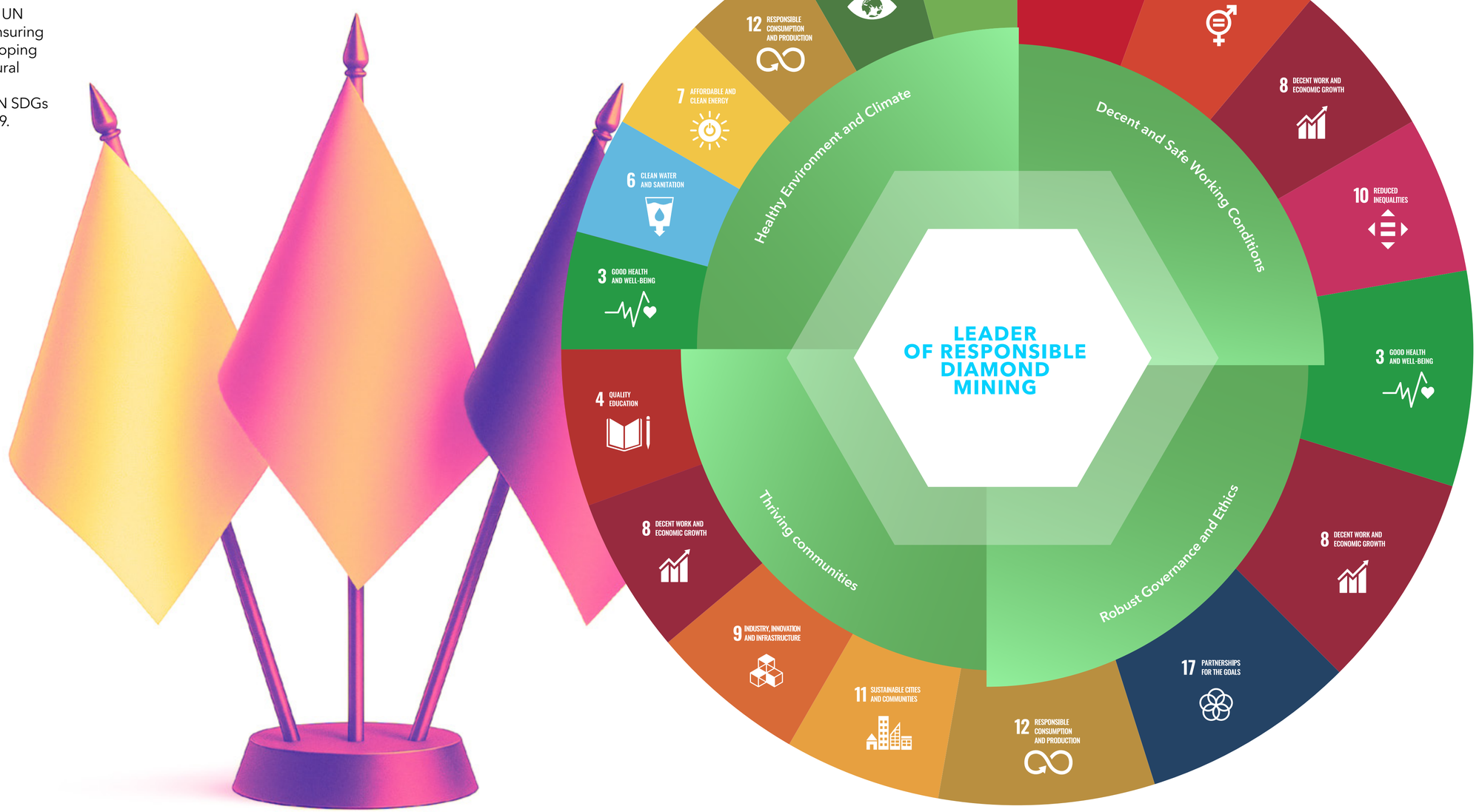


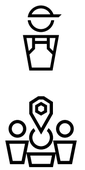
Contribution to achieving the UN Sustainable Development Goals

GRI 2-23

ALROSA participates in the implementation of the UN Sustainable Development Goals (the UN SDGs), ensuring environmental protection, creating jobs and developing social infrastructure, as well as preserving the cultural heritage of peoples in the regions of operations.
The Company remains committed to 13 priority UN SDGs in the new Sustainability Programme for 2025–2029.

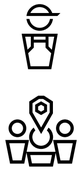
Four sustainability pillars of ALROSA and the UN SDGs



UN SDG	STAKEHOLDERS	ALROSA'S ACTIVITIES	2024 RESULTS
Ensure healthy lives and promote well-being for all at all ages **3.4** Reduce premature mortality from non-communicable diseases **3.6** Reduce the number of road traffic deaths and injuries **3.7** Ensure access to reproductive health services and taking into account reproductive health issues **3.8** Achieve universal health coverage, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all		■ Improvement of the OHS system, including involvement of contractors in resolving relevant issues ■ Health and sports programs for employees and their families, Company pensioners and residents of the regions of operations ■ Investments in the construction and development of regional medical facilities ■ Social guarantees for employees and other types of support in excess of those established by law (voluntary medical insurance for employees and preferential insurance conditions for their family members, etc.)	■ Within the framework of the contract with the occupational center in Novosibirsk, we strengthened our expertise in occupational diseases by improving the accuracy of diagnoses and implementing external control over the work of the department responsible for regular medical check-ups. ■ Health posts at the Company's northern sites were strengthened by recruiting personnel and upgrading equipment. ■ More than 1,600 employees underwent free screening tests to prevent diseases. All ALROSA subsidiaries joined the program in 2024. Nearly 5,000 employees underwent regular medical check-ups at the Corporate Medical Center. ■ An external assessment was carried out on ALROSA's program that provides one-time payments to doctors as part of co-financing of the District Doctor state program [1]. The recommendations will be taken into account in the implementation of the corporate program in 2025. For more details about the 2024 projects and results, please see the Occupational health and safety, Development of the regions of operations, Development of human capital sections.
Ensure inclusive and equitable quality education **4.2** Ensure that all girls and boys have access to quality early childhood development, care and pre-primary education **4.4** Increase the number of youth and adults who have relevant skills, including technical and vocational skills for decent jobs **4.5** Eliminate gender disparities in education and ensure equal access to all levels of education for the vulnerable, including indigenous peoples		■ Training programs for personnel, professional development ■ Cooperation programs with higher and secondary specialized educational institutions, schools and preschool institutions in the regions of operations ■ Patronage and targeted assistance to educational institutions of the regions of operations ■ Support for education workers in the regions of operations ■ Support for educational projects of the Special Fund for Future Generations of the Republic of Sakha (Yakutia)	■ More than 70 training events were held for managers on onboarding of new employees. ■ The "Skilometer" training platform was launched. ■ The PRO Leaders program was expanded with team leadership training added. ■ The Succession program was launched at 10 production sites in the pilot mode. ■ 50 schools in Yakutia received patronage assistance of RUB 2.8 million. ■ 17 schools of the Mirninsky district were provided with hot meals for schoolchildren. ■ RUB 61.5 million were invested in repair of schools in the regions of operations. For more details about the 2024 projects and results, please see the Development of the regions of operations, Development of human capital sections
Achieve gender equality and empower all women and girls **5.1** End all forms of discrimination against all women and girls everywhere		■ Equal remuneration of men and women for work of equal value ■ Equal learning and career development opportunities for men and women ■ Gender balance in the personnel structure and management bodies ■ Activities to attract women to working professions and initiatives to support women in the mining industry	■ ALROSA took part in job fairs, including the Work in Russia. Time of opportunity, All-Russian Employment Fair, to attract women to work professions. ■ As an official partner, the Company supports the Women in the Modern Industry association and the Talented Woman in the Modern Industry international award. For more details about the 2024 projects and results, please see the Development of human capital section

Employees | Local communities | Government authorities | Russian and international industry community | Public environmental organizations

[1] The program is implemented as part of the national Healthcare project and is governed by Resolution of the Government of the Russian Federation No. 1640 On Approving the State Healthcare Development Program of the Russian Federation dated 26.12.2017 (as amended on 24.12.2021).

UN SDG	STAKEHOLDERS	ALROSA'S ACTIVITIES	2024 RESULTS
6 CLEAN WATER AND SANITATION **Ensure availability and sustainable management of water and sanitation for all** **6.3** Improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally **6.4** Increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity **6.6** Protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes		■ Implementation of a water recycling and reuse system ■ Implementation of measures to reduce natural water consumption, including in the private sector ■ Implementation of dry stacking of tailings ■ Implementation of measures to reduce water discharge into surface water bodies and compliance with wastewater discharge standards ■ Continuous monitoring of wastewater quality at all ALROSA enterprises ■ Monitoring the state of water bodies	■ Interception of flood waters at the Aikhal mine and Irelyakh alluvial diamond deposit and collection of drainage water at the Udachny MPD for technological needs were organized in order to reduce water intake from natural sources. ■ The biological treatment facility at the Verkhne-Munskoye deposit and in the Nakyn shift camp was upgraded. ■ A complete recycled water clarification unit was commissioned at Lomonosovsky MPD, and pilot tests on preliminary treatment of recycled water were completed. ■ Aikhal settlement is fully equipped with communal water metering devices. ■ The Vilyuy river was cleaned up as part of the Protect the Nature environmental campaign. For more details about the 2024 projects and results, please see the Environmental protection, Development of the regions of operations sections
7 AFFORDABLE AND CLEAN ENERGY **Ensure access to affordable, reliable, sustainable and modern energy for all** **7.2** Increase substantially the share of renewable energy in the global energy mix **7.3** Improved energy efficiency		■ Transition to renewable sources of energy and increasing the level of electricity generation at HPPs ■ Implementation of energy-saving measures under the current energy efficiency improvement program ■ Use of alternative fuels for mining equipment	■ The preparation work for the construction of the start-up complex of the fourth HPP unit are completed. The work was started to raise the water level in the Svetlinskoye reservoir to design levels. ■ General technical solutions of the natural gas liquefaction facility and high-level assessment of the LNG infrastructure project are prepared. ■ The preparation work was performed to install a wind power station on the upper site of the Mir kimberlite pipe. For more details about the 2024 projects and results, please see the Climate change and energy efficiency section
8 DECENT WORK AND ECONOMIC GROWTH **Promote sustained, inclusive and sustainable economic growth** **8.3** Promote development-oriented policy that supports productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises **8.5** Support full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value **8.8** Protect labour rights and promote safe and secure working environments for all workers		■ Implementation of the Social Policy and social support programs for employees ■ Equal remuneration for men and women for work of equal value and decent salary – above the average salary in the Republic of Sakha (Yakutia) and the Russian Federation ■ Measures to reduce occupational injuries ■ Prevention of occupational diseases and reduction of occupational hazards ■ Implementation of regional projects to increase employment ■ "Growing" SME suppliers	■ A pilot project was implemented to use the Production Control automated information system. ■ A critical OHS risk management system was implemented based on electronic checklists. ■ 6,600 Yakutia residents were employed by ALROSA under the "Local Staff in Industry" program ■ The Development Program for Small and Medium-Sized Businesses for Their Potential Participation in the Procurement of goods (works, services) was approved. For more details about the 2024 projects and results, please see the Occupational health and safety, Development of human capital, Development of the regions of operations sections.

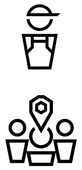
 Employees

 Local communities

 Government authorities

 Russian and international industry community

 Public environmental organizations

UN SDG	STAKEHOLDERS	ALROSA'S ACTIVITIES	2024 RESULTS
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation **9.1** Develop quality, reliable, sustainable and resilient infrastructure, including regional infrastructure, to support economic development and human well-being **9.3** Increase the access of small-scale industrial and other enterprises to financial services and their integration into value chains and markets **9.4** Upgrade infrastructure and retrofit industries, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes		■ Implementation of agreements on social and economic development and cooperation with uluses (districts) of the Republic of Sakha (Yakutia) ■ Providing finance to and cooperation with the Special Fund for Future Generations of the Republic of Sakha (Yakutia) ■ Increasing the share of purchases from local suppliers and SMEs ■ Implementation of automated systems in the main and auxiliary production processes	■ Measures were implemented under 20 agreements on social and economic development with local communities, as well as agreements with the authorities of the regions of operations, aimed, inter alia, at modernizing the regional infrastructure. ■ RUB 10.5 million was invested in the improvement of the Tuskul cultural and ethnographic complex in Udachny. ■ Development of water supply systems in the Vilyuy Uluses received funding of almost RUB 87 million to provide high-quality drinking water to the population. ■ All planned measures to automate wireless monitoring systems at hydraulic structures are completed. For more details about the 2024 projects and results, please see the Development of the regions of operations, Environmental protection sections
Reduced inequalities **10.3** Ensure equal opportunity and reduce inequalities of outcome		■ Ensuring compliance with the Code of Corporate Ethics and non-discrimination ■ Human rights training for employees ■ Respect for the rights of indigenous peoples, employment and adaptation programs for indigenous small-numbered peoples of the North ■ Support and development of the culture, customs and traditions of the indigenous peoples of Yakutia	■ A methodology for identifying and assessing human rights risks was developed and tested with mitigation measures developed for each risk. ■ Five human rights workshops were held, additional training was provided to security personnel. ■ The Company developed a concept of the function of ALROSA ethics ombuds as a significant mechanism for feedback and prevention of violations of business ethics and human rights. ■ The Company hired 4,413 people from indigenous minorities of the North. For more details about the 2024 projects and results, please see the Governance and business ethics, Development of human capital, Development of the regions of operations sections
Make cities and human settlements sustainable **11.1** Ensure access for all to adequate, safe and affordable housing and landscaping **11.4** Strengthen efforts to protect and safeguard the world's cultural and natural heritage **11.a** Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning **11.b** Increase the number of cities and human settlements adopting and implementing integrated policies and plans towards resource efficiency		■ Financing construction, reconstruction of residential houses and social infrastructure facilities ■ A housing program for young families ■ Organization of traditional national holidays of Yakutia, competitions in national sports	■ Co-financing of the municipal program of the Mirninsky district "Housing for Young Families" continued: 35 young families received certificates of social benefits for the purchase of housing or the construction of an individual residential building. ■ A project to lay an optical fiber network connecting four mines and six settlements in Yakutia is completed. ■ A Comprehensive Program for the Development of and Support for Indigenous Small-Numbered Peoples of the North was approved. ■ Work was performed to improve the Tuskul cultural and ethnographic complex (as part of the ALROSA Territory competition). For more details about the 2024 projects and results, please see the Development of the regions of operations section

Employees | Local communities | Government authorities | Russian and international industry community | Public environmental organizations

UN SDG	STAKEHOLDERS	ALROSA'S ACTIVITIES	2024 RESULTS
Ensure sustainable consumption and production patterns **12.2** Achieve the sustainable management and efficient use of natural resources **12.4** Achieve the environmentally sound management of chemicals and all wastes, reduce their release to air, water and soil **12.5** Reduce waste generation through prevention, reduction, recycling and reuse		■ Reduction of landfilling by increasing the share of waste recovery/neutralization ■ Tailings thickening activities to ensure long-term waste storage ■ Monitoring and control of violations in waste management ■ Reuse of overburden and tailings in production and construction ■ Use of mud and sludge from treatment facilities as a fertilizer for reclamation ■ Disposal and reuse of saponite-containing waste ■ Supporting programs for environmental education and providing updates on the state of environment	■ 1,499 tons of used oils and 844 tons of used tires were sent for recycling. ■ ALROSA certified dewatered sludge from treatment facilities for use as fertilizer for reclamation work. ■ A specialized laboratory complex was created in the Northern (Arctic) Federal University to conduct studies of saponite-containing waste generated during diamond mining. ■ During the environmental awareness campaign organized by the ALROSA Environmental Center in Mirninsky and Lensky districts, 462 kg of used batteries were collected for further recycling. For more details about the 2024 projects and results, please see the Environmental protection section
Take urgent action to combat climate change and its impacts **13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters		■ Switching diesel power plants and vehicles to natural gas ■ Connection of production facilities to gas supply ■ Research on the impact of climate risks on the Company's operations ■ Use of explosives with a zero or close to zero oxygen balance ■ Technical re-equipment of stationary emission sources ■ Measures to intensify carbonation of spent kimberlite	■ The 2035 Climate Strategy and the Action Plan were approved. ■ The absorption capacity of kimberlite ore was scientifically determined and the carbon neutrality of ALROSA's Diamond Mining and Processing Operations (Scope 1 and 2) in 2023 and 2024 was confirmed. ■ Connection to gas supply of the Udachny underground mine was completed; necessary documents required to start the connection of the Nakyn ore field to gas supply were obtained. For more details about the 2024 projects and results, please see the Climate change and energy efficiency section
Protect and restore terrestrial ecosystems **15.1** Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems **15.3** Combat desertification, restore degraded land and soil **15.5** Reduce the degradation of natural habitats, halt the loss of biodiversity and prevent the extinction of threatened species		■ Land protection and rehabilitation measures ■ Restoration of forests ■ Landscaping ■ Implementation of joint projects and support to specially protected natural areas ■ Environmental education activities in the regions of operations ■ Protection and restoration of animal, fish and plant species, conservation of their habitats	■ 1,165 hectares of land were reclaimed. ■ Reforestation work was performed for 698 hectares in the Republic of Sakha (Yakutia) and the Arkhangelsk Region. ■ Two-year research work to assess the impact of fires on the ecosystem of the Republic of Sakha (Yakutia) was completed. ■ A project to create ALROSA's own forest nursery was launched. ■ 2.3 million Coregonus peled larvae were released into the Vilyuy reservoir, 100 thousand juvenile broad whitefish and over 20 thousand Siberian sturgeon fry – into the Vilyuy River. For more details about the 2024 projects and results, please see the Environmental protection section

Employees | Local communities | Government authorities | Russian and international industry community | Public environmental organizations

UN SDG



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

17.6 Enhance North-South cooperation on and access to science, technology and innovation

17.16 Enhance the Global Partnership for Sustainable Development

17.17 Encourage and promote effective public, public-private and civil society partnerships

STAKEHOLDERS



ALROSA'S ACTIVITIES

- Expansion of environmental partnership with state organizations
- Sharing experience on multilateral environmental platforms
- Development of cooperation with diamond mining companies in Africa
- Building responsible supply chains

2024 RESULTS

- At the initiative of ALROSA, a new cooperation track was launched in the diamond industry covering both BRICS participants and its BRICS+ partners resulting in the development of a dialog platform for BRICS cooperation on diamonds with the participation of African diamond mining countries.
- ALROSA took part in the COP29 in Baku.
- ALROSA was one of the initiators of the creation of the Working Subgroup to study the lesser white-fronted goose population under the East Asian-Australasian Flyway Partnership.

For more details about the 2024 projects and results, please see the Development of the regions of operations, Environmental protection sections

Stakeholder engagement

GRI 2-29

ALROSA establishes a constructive dialog with stakeholders based on the principles of transparency, mutual respect and benefit. The Company focuses on analyzing the needs and expectations of its business partners and actively involves them in the decision-making process. ALROSA strives to regularly interact with stakeholders throughout the asset life cycle.

ALROSA's main goals and approaches in this area are set forth in the Stakeholder Engagement Policy. The Policy was developed in accordance with the Russian and international law, sectoral standards and generally accepted global practices.

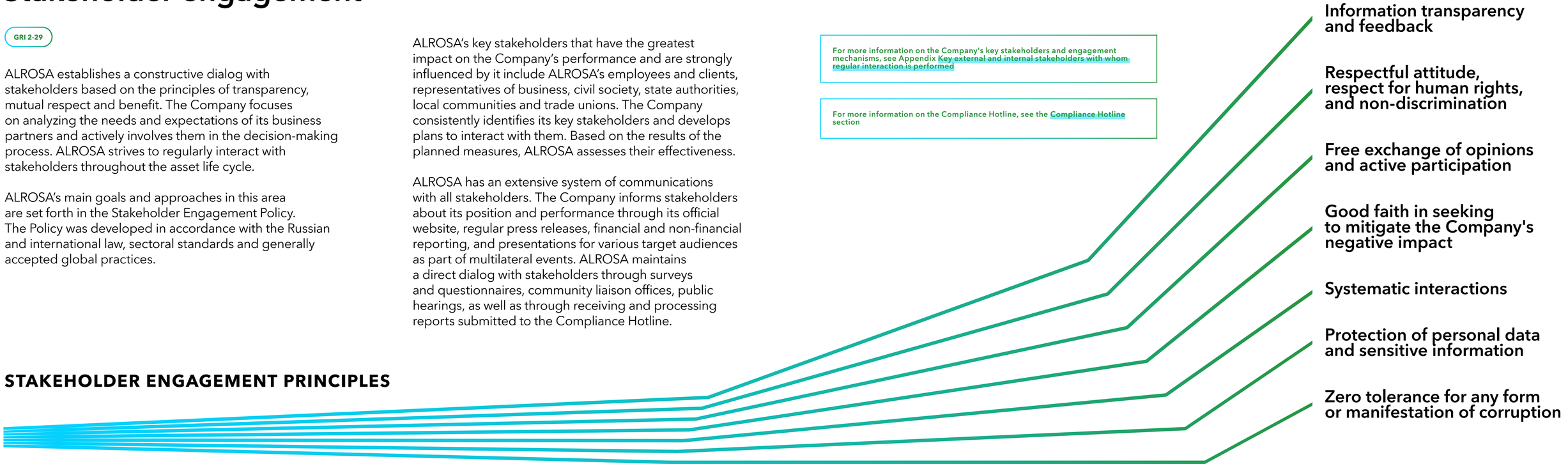
ALROSA's key stakeholders that have the greatest impact on the Company's performance and are strongly influenced by it include ALROSA's employees and clients, representatives of business, civil society, state authorities, local communities and trade unions. The Company consistently identifies its key stakeholders and develops plans to interact with them. Based on the results of the planned measures, ALROSA assesses their effectiveness.

ALROSA has an extensive system of communications with all stakeholders. The Company informs stakeholders about its position and performance through its official website, regular press releases, financial and non-financial reporting, and presentations for various target audiences as part of multilateral events. ALROSA maintains a direct dialog with stakeholders through surveys and questionnaires, community liaison offices, public hearings, as well as through receiving and processing reports submitted to the Compliance Hotline.

For more information on the Company's key stakeholders and engagement mechanisms, see Appendix Key external and internal stakeholders with whom regular interaction is performed

For more information on the Compliance Hotline, see the Compliance Hotline section

STAKEHOLDER ENGAGEMENT PRINCIPLES



International industry cooperation

GRI 2-28

In 2024, as part of the official delegation of the Russian Federation, ALROSA took an active part in the Kimberley Process (KP) as the only universal mechanism operating on the basis of the UN mandate for regulating international rough diamond trade. The Company provided expert and organizational support to promote a constructive agenda for the KP in order to ensure the sustainable development of the global diamond industry for the benefit of all its participants.

As a result of the Plenary Session, the KP, among other things, ensured the extension of the UAE's powers as the Chair for 2025, the restoration of the CAR's full membership, and approval of a new participant – Uzbekistan.

In April 2024, as part of the fourth review visit to Russia, a delegation of KP experts visited ALROSA production facilities in the Republic of Sakha (Yakutia) and Moscow. The purpose of the visit was to confirm the compliance of the Russian internal control system with the KP requirements. The entire chain of movement of the Company's rough diamonds – from mining to retail – was demonstrated to the delegation. A meeting with representatives of the municipal authorities of Yakutia, local communities and the trade union was also held. The final report on the review visit, approved at the KP Plenary Session in November 2024, confirmed that Russia and its diamond mining industry fully complied with the minimum requirements of the Kimberley Process Certification Scheme (KPCS), and in many respects exceeded them. At the Company's initiative, the first ever special KP forum was held in May 2024 with the participation of representatives of local communities from diamond mining regions.

As part of further cooperation in the diamond industry, the Company promoted its commercial interests in interaction with partners from friendly countries from Asia, Africa and the Middle East. In the reporting year, ALROSA actively collaborated with its partners from the African Diamond Producers Association (ADPA). The Company promoted projects aimed at strengthening consumer confidence, including the approval of a single standard for responsible diamond mining. As part of the partnership, a fundamental decision was made to create a business council with the participation of diamond companies from ADPA countries.



WHAT ALROSA IS PROUD OF

UNIQUE PANEL DISCUSSION WITH REPRESENTATIVES OF LOCAL COMMUNITIES

In May 2024, for the first time in the forum's history, an interim KP session included a panel discussion on the development and provision of technical support to diamond communities – the population of areas affected by diamond mining. The discussion was attended by a representative of the Association of Indigenous Minorities of the North of the Republic of Sakha (Yakutia) (hereinafter, the Association of Indigenous Minorities of the North).

The First Vice-President of the Association of Indigenous Minorities of the North spoke about successful experience of interaction between local communities and subsoil users. She noted that Yakutia had a republican law on ethnological expertise adopted in 2010 and supported by industry representatives, including ALROSA. The expert also talked about unique experience of participation of local communities in the Company's share capital through uluses, examples of successful interaction with ALROSA, which made it possible to preserve reindeer husbandry and other traditional industries in the Anabar ulus, as well as Dolgan national culture and language.

For more details on ALROSA's cooperation with the Association of Indigenous Minorities of the North in 2024, see the Support for indigenous minorities section.

COOPERATION WITHIN BRICS

At the initiative of ALROSA, during Russia's presidency at BRICS, a new BRICS+ cooperation track was launched between the participants of the association and its partners. The initiative is aimed at ensuring the openness of the global diamond market and promoting diamond jewelry. In October 2024, the first meeting of the informal dialog platform on cooperation in the diamond industry was held in Moscow in a hybrid format, as part of a meeting of BRICS countries' finance ministers and central bank governors. Following the meeting, the participants agreed on four key areas of the platform, namely:

- creating added value in supply chains;
- promoting generic diamond marketing programs in BRICS markets;
- ensuring common standards for responsible diamond mining and trade;
- exchanging best practices.

The agreements reached on the creation of a new cooperation mechanism are enshrined in the declaration "Strengthening Multilateralism for Equitable Global Development and Security" approved by the heads of states and governments of the BRICS countries.

ALROSA pins with natural diamonds and cut mined in Russia were used for accreditation of the leaders of the BRICS summit and invited heads of delegations.

GOVERNANCE AND BUSINESS ETHICS

37 Business ethics and anti-corruption
39 Approach to managing business ethics and anti-corruption
42 Compliance Hotline
44 Human rights
48 Innovation and digitalization management
54 Information security



2024 HIGHLIGHTS

DEVELOPMENT OF THE RECOMMENDATIONS FOR ASSESSING CORRUPTION RISKS IN BUSINESS PROCESSES

INTERNAL ASSESSMENT OF THE COMPLIANCE AND INTERNAL CONTROL SYSTEM

DEVELOPMENT OF THE CONCEPT OF ALROSA'S ETHICS OMBUDS FUNCTION

LAUNCH OF AN ELECTRONIC COURSE ON BUSINESS ETHICS AND ANTI-CORRUPTION

CREATION OF A SINGLE PRODUCTION SYSTEM CENTER WHICH EMBRACED THE FUNCTIONALITY OF KEY DIVISIONS RESPONSIBLE FOR THE PRODUCTION DIGITALIZATION

Progress under the 2021–2025 ALROSA Group Sustainability Programme[1]

	TARGET	PROGRESS FOR 2024	PROGRESS SINCE THE PROGRAMME LAUNCH	
GE2 Ensuring respect for human rights	Improving corporate documents in terms of implementing approaches and procedures related to respect for human rights	The methodology for assessing compliance with human rights and business ethics standards was updated	Fundamental human rights documents have been approved: the Code of Corporate Ethics, the Sustainability Policy, the Human Rights Policy, the Diversity and Inclusion Policy	✓
	Improving the grievance mechanism to address human rights and business ethics issues	The concept of ALROSA's ethics ombuds was developed; a pilot project was initiated together with the trade union	The Commission for Compliance with Corporate Ethics and Settlement of Conflicts of Interest has been created; the Compliance Hotline has been launched. Both mechanisms have proved their efficiency	✓
	Conducting annual human rights training	Five human rights webinars were held	A training program on human rights has been developed; training events are held annually	✓
	Ensuring that 100% of reports concerning human rights and business ethics are handled	All reports submitted through the Compliance Hotline were handled	Measures have been taken to ensure that 100% of reports concerning human rights and business ethics are handled	✓
GE3 Ensuring effective anti-corruption management	Developing and implementing a system of measures to counter bribery and corruption	Draft internal regulatory documents of the Company's subsidiaries and the Recommendations for Assessing Corruption Risks in Business Processes were developed; a working group for assessing corruption risks was formed	An anti-corruption management system has been established on the basis of the conflict of interest concept. The Company's approaches have been extended to all structural divisions	✓
	Improving feedback mechanisms related to anti-corruption issues	The performance rating of the Compliance Hotline was raised to 3.4 points; additional training sessions for call center operators were held; information videos on the Compliance Hotline operation were relaunched	The Compliance Hotline has been created and has become an effective mechanism for receiving feedback from stakeholders on a wide range of issues concerning ALROSA's operations	✓
	Conducting annual anti-corruption training for employees	A new electronic course on business ethics and anti-corruption was launched; internal control and compliance training sessions were held	A system of training courses on business ethics, anti-corruption, as well as compliance and internal control has been developed. At the request of divisions, additional training events and courses on the said issues are held	✓
	Keeping 100% of employees regularly informed about the Company's current requirements and documents, provisions of applicable laws on business ethics and anti-corruption	Newsletters with updates on business ethics and anti-corruption issues are sent to employees on a regular basis	The Company consistently keeps 100% of employees informed about ALROSA's current requirements and documents on business ethics and anti-corruption	✓
GE5 Innovative development	Maintaining the amount of financing for the Innovative Development and Technological Modernization Program at the level of at least RUB 1.5 billion annually	**RUB 2.7 BILLION** (+14% against 2023)	**RUB 9.8 BILLION** total amount of funding for the Innovative Development and Technological Modernization Program for the period of the 2021–2025 Sustainability Programme	✓

- ✓ Task completed
- Task included in 2025–2029 Sustainability Programme
- Task in progress
- ✗ Task not completed

[1] The targets cover the Diamond Mining and Processing Operations.

Business ethics and anti-corruption



Why is it important to ALROSA?

ALROSA adheres to high standards of business ethics, anti-corruption and human rights protection.
The Company applies this approach to all its business processes and value creation stages, thereby creating conditions for its own sustainable development as well as the sustainable development of the entire diamond industry.

MATERIAL TOPICS

- Quality of corporate governance
- Compliance with laws and business ethics principles

REGULATORY DOCUMENTS

Internal

- Code of Corporate Ethics
- Suppliers Business Ethics Code
- Anti-Corruption Policy
- Compliance Policy
- Regulations on Anti-Corruption Management
- Regulation on Conflict of Interest
- Regulations on the Commission for Compliance with Corporate Ethics and Settlement of Conflicts of Interest
- Regulation on the Compliance Hotline
- Regulations on Responsible Diamond Supply Chain Management
- ALROSA ALLIANCE Guidelines on Sustainable Business Development[1]

External

- ISO 37001:2016, Anti-bribery management systems – A practical guide
- ISO 37301:2021, Compliance management systems – Requirements with guidance for use
- ISO 37002:2021, Whistleblowing management systems – Guidelines
- Federal laws and regulations of the Russian Federation
- Anti-Corruption Charter of the Russian Business

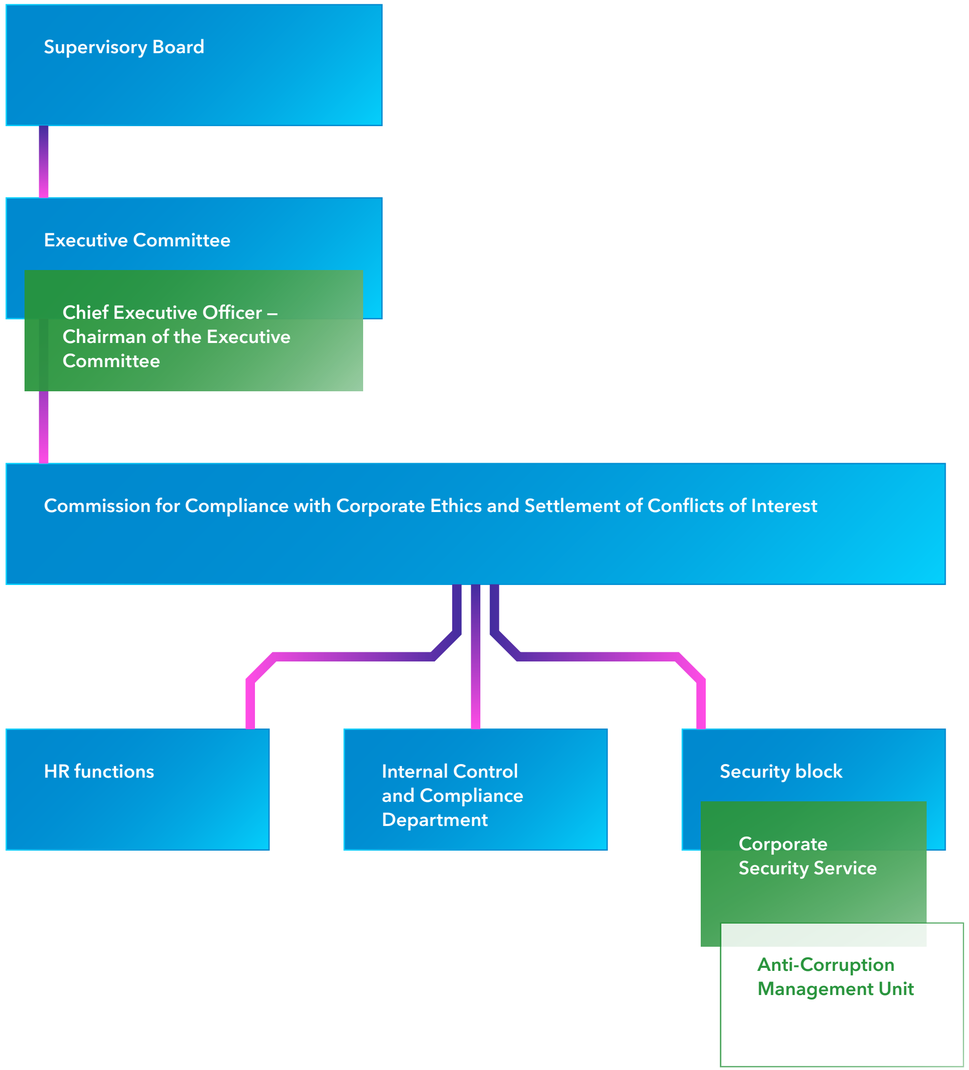
METHODOLOGICAL RECOMMENDATIONS

UN Global Compact Principles

1 2 10

[1] This document is only available in Russian.

ALLOCATION OF RESPONSIBILITY [1]



Responsibilities of management bodies

BODY	RESPONSIBILITY
Supervisory Board	■ Strategic management ■ Approval of relevant key documents and the report on the results of assessing the reliability and efficiency of the compliance system
Executive Committee	■ Control over implementation of the business ethics and anti-corruption strategy
Chief Executive Officer – Chairman of the Executive Committee	■ Approval of business ethics and anti-corruption guidelines and control over their implementation ■ Implementation of decisions to achieve the goals and objectives of building the compliance system
Commission for Compliance with Corporate Ethics and Settlement of Conflicts of Interest	■ Consideration of issues related to corporate ethics and conflicts of interest
Security block	■ Organizational and methodological support for anti-corruption management, control, monitoring, development of proposals to improve the management system, preparation of performance reports ■ Identification of violations, collection of information on signs of corruption in business processes, carrying out internal investigations ■ Reporting violations to law enforcement authorities and assisting them in respective investigations
Anti-Corruption Management Unit	■ Incorporation of anti-corruption management elements in all divisions exposed to a higher risk of corruption ■ Compliance control over the performance of relevant duties
Internal Control and Compliance Department Risk Management and Internal Control Department since 2025	■ Organization of compliance training, including in business ethics and anti-corruption ■ Administration of the Compliance Hotline and preparation of the review on received reports to be considered by the Chief Executive Officer – Chairman of the Executive Committee and the Audit Committee of the Supervisory Board ■ Development of the plan to improve the compliance system based on the results of assessing the reliability and efficiency of the compliance system, and preparation of the report on the implementation of this plan to be considered by the Chief Executive Officer – Chairman of the Executive Committee and the Supervisory Board ■ Elaboration of required regulatory documents on compliance ■ Organization of employees' personal data processing
HR functions	■ Familiarization of employees with documents on business ethics and anti-corruption

[1] In 2025, the Risk Management Department and the Internal Control and Compliance Department were merged into the Risk Management and Internal Control Department.

Approach to managing business ethics and anti-corruption

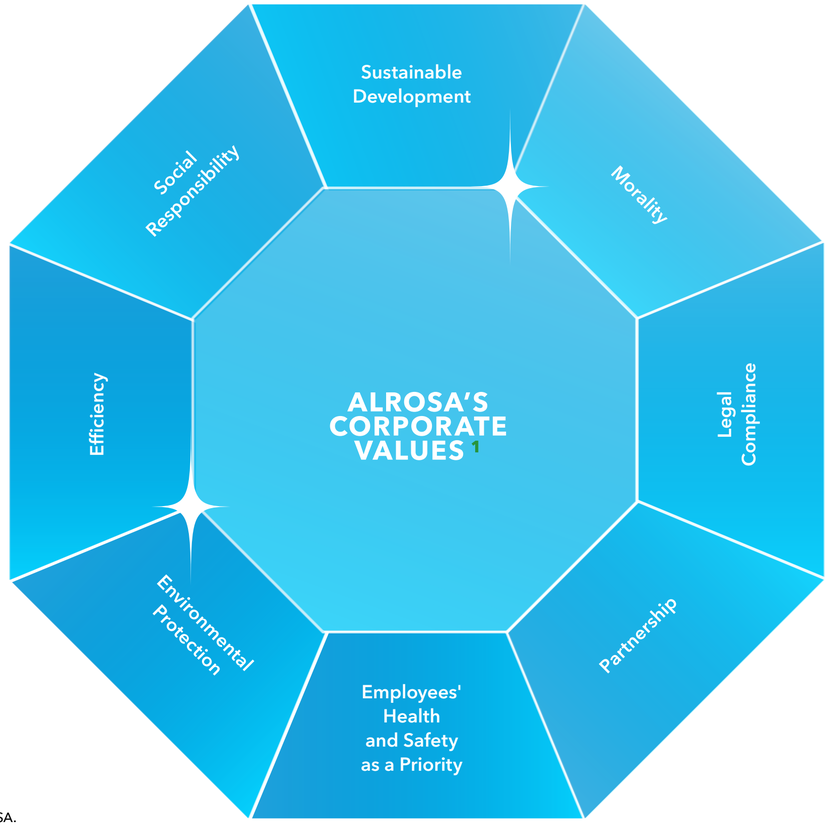
GRI 3-3 GRI 2-23 GRI 2-24

ALROSA's approach to business ethics and anti-corruption management is based on global best practices and fully complies with the requirements of Russian laws. The Company has successfully implemented a comprehensive business ethics and anti-corruption management system that meets the requirements of ISO 37001:2016.

Zero tolerance towards any manifestations and forms of corrupt behavior and prevention of conflicts of interest are the fundamental principles of the Company's operations set forth in the Code of Corporate Ethics, Suppliers Business Ethics Code, Anti-Corruption Policy and other internal regulatory documents of ALROSA. The Company's high standards of ethical business behavior are mandatory for both its employees and business partners.

GRI 205-2 GRI 14.22.3

100%
of employees
ARE AWARE OF ALROSA'S ANTI-CORRUPTION REQUIREMENTS



GRI 205-2 GRI 14.22.3

ALROSA's employees are informed of the corporate values and standards of business conduct at the time of their employment, and changes in internal regulatory documents on business ethics and anti-corruption are communicated to them as and when required. ALROSA's managers set high standards of behavior by their example and are the main ambassadors of the principles of corporate ethics.

BUSINESS ETHICS AND ANTI-CORRUPTION MANAGEMENT SYSTEM

ALROSA's business ethics and anti-corruption management system covers all the Company's employees, regardless of their position. ALROSA is constantly working to raise employee awareness of anti-corruption requirement.

GRI 205-3 GRI 14.22.4 MED-43

Anti-corruption compliance is implemented in all business processes. ALROSA promptly responds to any signs of corrupt practices: conducts inspections and, whenever violations are detected, initiates an internal investigation and engages law enforcement agencies. In 2024, no legal cases regarding corruption were brought against the Company's employees where judgments took legal effect.

In 2024, as part of the Action Plan to Improve Anti-Corruption Activities for 2024–2025 (creation of an anti-corruption management system), PJSC ALROSA's approaches to anti-corruption management were extended to all the Group's enterprises. The Company developed draft internal regulatory documents that enabled 19 of its subsidiaries to approve new internal anti-corruption regulations on the basis of these drafts adopting a single approach to managing corruption risks. In addition, ALROSA developed Recommendations for Assessing Corruption Risks in Business Processes and formed a working group to assess such risks. In the reporting period, the working group held two general meetings, while further work to assess and describe corruption risks in business processes was carried out by mini-groups consisting of representatives of the working group and structural divisions. These mini-groups were created to study the peculiarities of each sub-process in detail given the specifics of individual divisions. These joint efforts resulted in draft registers of corruption risks prepared, in particular, on the basis of recommendations of the Ministry of Labor and Social Development of the Russian Federation.

In 2024, ALROSA also developed a procedure for anti-corruption review of internal regulatory documents and their drafts and prepared standard provisions to be included in employment contracts. Employment contracts were amended to include the obligation of employees to strictly comply with the Code of Corporate Ethics, Regulation on Conflict of Interest and Regulations on Anti-Corruption Management, and their liability for non-compliance with corporate principles of business ethics. In addition, the Company prepared a draft internal regulatory document on gifts and hospitality expenses.

[1] As stipulated by the Code of Corporate Ethics of PJSC ALROSA.

CONFLICT OF INTEREST MANAGEMENT

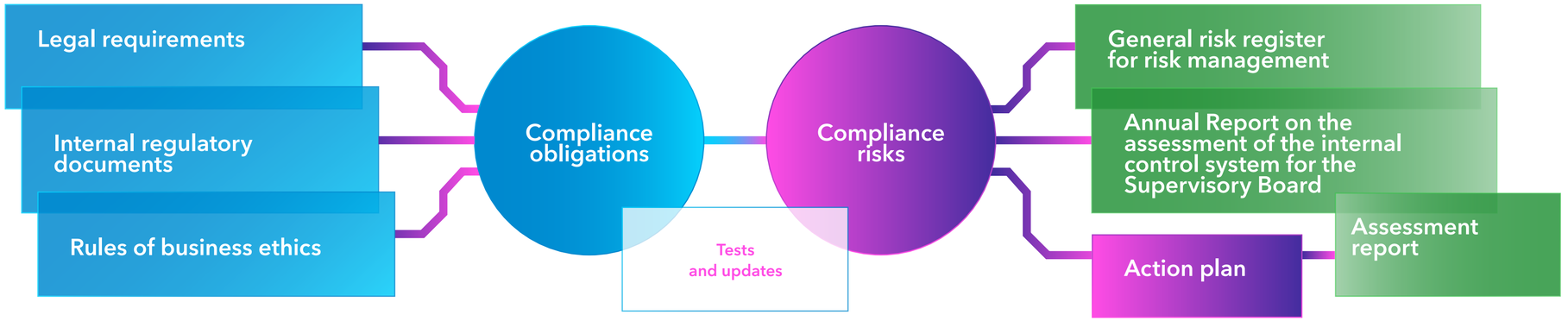
GRI 2-15

The conflict of interest management is an important element of the Company's anti-corruption management system and is aimed at ensuring the transparency of ALROSA's operations, protecting its interests and preventing possible abuses. Relevant issues are governed by the Regulations on Conflict of Interest that are binding on all employees. Special attention is paid to heads of divisions, members of procurement bodies and employees holding positions exposed to corruption risks.

In resolving conflicts of interest, ALROSA is governed by the principle of achieving a balance between the parties' interests and guarantees the confidentiality of information and the protection of the employee reporting a conflict of interest from potential retaliation. All employees are obliged to disclose information on situations where their personal interest may affect the performance of their job duties or is contrary to the Company's interests. Moreover, employees holding positions exposed to corruption risks submit conflict of interest declarations. ALROSA assesses economic and reputational risks on a case-by-case basis.

ALROSA has a collegial advisory body – the Commission for Compliance with Corporate Ethics and Settlement of Conflicts of Interest. The Commission monitors employees' compliance with corporate ethics standards, anti-corruption laws, human rights and the requirements of relevant internal documents. The Commission consists of the Company's top management and representatives of the Security Service, Profalmaz Trade Union and functional divisions. In addition, 30 relevant commissions and expert groups were formed in 2024 to consider and resolve conflicts of interest in the Company's structural and functional divisions and subsidiaries with the methodological support of the anti-corruption management function.

Compliance risk assessment



COMPLIANCE SYSTEM

ALROSA's compliance system is decentralized. Divisions having compliance obligations are responsible for building a compliance system in their area of responsibility, performing control procedures and implementing relevant measures. The Internal Control and Compliance Department coordinates the overall operation of the compliance system.

At the beginning of 2025, the Risk Management Department and the Internal Control and Compliance Department were merged into the Risk Management and Internal Control Department. The merged division will ensure unified effective coordination of risk management issues to achieve the Company's strategic goals. The objectives of the Risk Management and Internal Control Department include:

- development and implementation of the plan for the Risk Management and Internal Control System, including the compliance system;
- organization of personal data processing at the Company;
- promotion of a risk culture and a culture of compliance at ALROSA;
- administration of ALROSA's Compliance Hotline.

The Company assesses the performance of its compliance system at least once a year. The assessment includes the analysis of the corporate culture, including internal documents and the performance of the Commission for Compliance with Corporate Ethics and Settlement of Conflicts of Interest, and development of improvement measures.

In 2024, the Supervisory Board of ALROSA approved a three-year action plan aimed at improving the Company's internal control system. The plan was developed on the basis of recommendations given as a result of the external independent assessment of the compliance system performed in 2023. The key measures implemented in 2024 were aimed at bringing the compliance system in line with international standards and improving the reliability and efficiency of the internal control system.

In the reporting year, the Internal Control and Compliance Department performed a systematic assessment of compliance risks in priority areas, including environmental risks. In addition to priority areas, risks related to misuse of insider information and market manipulation, and risks related to money laundering and financing of terrorism were assessed.

To promote high standards of business ethics, the Company held a Compliance Day for its employees. As part of the event, 165 employees took part in an online quest devoted to compliance with ALROSA's business ethics and anti-corruption requirements and received valuable prizes.

TRAINING IN BUSINESS ETHICS AND ANTI-CORRUPTION

The Company provides its employees with regular training in anti-corruption regulation, application of the Code of Corporate Ethics and fulfillment of compliance obligations. Employees take both mandatory induction courses and training courses organized at the request of divisions.

In 2024, a new electronic course on compliance with business ethics standards available to all the Company's employees was developed and launched. The course was assigned to more than 1,000 employees. In addition, the Company organized internal control and compliance training in 2024 for participants in the ALROSA Potential corporate program and trade union employees and individual business ethics training events at the request of subsidiaries. In total, more than 100 people took part in the additional training events.

In the reporting period, ALROSA held four anti-corruption training events. In total, 163 employees were trained in anti-corruption policies and methods.

PRINCIPLES OF INTERACTION WITH COUNTERPARTIES ON BUSINESS ETHICS ISSUES

ALROSA promotes its approach to combating corruption and its commitment to high ethical principles to all participants in the supply chain. The Company has four key subject-matter documents: the Suppliers Business Ethics Code, the Regulations on Responsible Diamond Supply Chain Management, the ALROSA ALLIANCE Guidelines on Sustainable Business Development updated in 2024, and the Regulations on the Internal Antitrust Compliance System.

The Company not only informs its business partners about the contents of these documents, but also includes anti-corruption clauses in standard contracts. In 2024, the Company started to include information on its Compliance Hotline in standard contracts with counterparties.

ALROSA performs a preliminary risk assessment of potential business partners and due diligence checks. Selection criteria include assessment of reliability, transparency of business processes and absence of conflicts of interest. Counterparty due diligence includes, among other things, the identification of the legal entity, its representatives, managers, and ultimate beneficiaries. In addition, ALROSA monitors its existing business partners.

In 2024, ALROSA performed 11,221 assessments[1] of business partners for risks related to corruption. There were no incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.

GRI 205-3 GRI 14.22.4

20,257

TOTAL NUMBER OF COUNTERPARTIES ASSESSED FOR CORRUPTION RISKS



[1] As part of one procurement procedure, the Company assesses several counterparties who have submitted tender bids.

Compliance Hotline

ABOUT THE HOTLINE

GRI 3-3 GRI 2-25 GRI 403-2 GRI 14.16.3

The Compliance Hotline helps the Company hold a constant dialog with its stakeholders. Any person can use the Hotline to send a report to ALROSA and receive a response to all questions related to the Company's operations. The procedure and principles of operation of this feedback mechanism are set forth in the Regulation on the Compliance Hotline of PJSC ALROSA.

Introduction to feedback mechanisms, including the Compliance Hotline, is a mandatory part of ALROSA's induction training for new hires. The Company consistently raises employee awareness of the Compliance Hotline. To this end, subject-matter materials are published in the corporate newspaper, newsletters are sent by e-mail, videos are shown on monitors in structural divisions, and relevant training sessions and meetings on compliance issues and the Hotline operation are held. In the reporting year, training was also provided to call center operators of the Compliance Hotline.

The Company regularly assesses the effectiveness of its Compliance Hotline paying special attention to the time and quality of handling received reports, the reasons for the identified inconsistencies, the sufficiency of actions taken to resolve the issues raised in the reports and the efficiency of corrective measures. The Company informs the heads of responsible divisions of the results of the assessment on a quarterly basis. Senior management also considers the detailed review: the Executive Committee – at least twice a year, and the Audit Committee of the Supervisory Board – once a year.

In 2024, the Internal Audit Department conducted an audit of the compliance system, including an assessment of the Hotline performance. The recommendations developed as a result of the audit suggested greater automation of the report handling process, formalization of ways to encourage individuals submitting reports and registration of the results of training received by call center operators. The work plan for 2025 includes measures to implement the new Compliance Hotline concept, update its website and renew the responsibility matrix for employees responding to reports.

GRI 2-26

Reports are submitted through free 24-hour channels:



Independent call center

88002342152



E-mail

hotline@alrosa.ru



WhatsApp messenger

89161924718



Online form on the web portal at

https://hotline.alrosa.ru

HOTLINE OPERATION PROCEDURE

The entire procedure for handling a report received through the Compliance Hotline – from the time of its registration to sending a response to the individual who has submitted the report – takes no more than 30 calendar days. Where investigation requires additional time, the individual who has submitted the report is notified thereof. In 2024, almost half of reports were handled within a week, while the average handling time was 16 days.

Received telephone calls are initially handled by an independent contractor that then sends them through the web portal to the Company's Internal Control and Compliance Department. The independent contractor's employees have all necessary information on ALROSA's corporate standards related to business ethics and human rights, which allows them to advise interested parties if necessary.

Reports submitted via other communication channels are registered directly by the Internal Control and Compliance Department and are sent to responsible managers depending on the subject matter of the report. The Department also monitors the operation of the Hotline, ensures timely and complete preparation of responses to reports, and assesses the effectiveness of this feedback mechanism.

If problems of a systemic nature are identified as a result of the analysis of reports, the Internal Control and Compliance Department develops recommendations on eliminating inconsistencies. Based on these recommendations, ALROSA's management decides whether it is necessary to optimize the relevant business processes.

HOTLINE STATISTICS

GRI 406-1 GRI 14.21.7

In 2024, 208 reports[1] were received through the Compliance Hotline, and 43% of them were related to working conditions and business ethics issues. More than half of the reports (56%) were submitted by ALROSA's employees, 9% of the reports were received from external stakeholders, and 35% – from anonymous individuals. 73 reports (35% of the total number) helped identify violations, non-compliance with the Company's regulations or errors in processes. At the same time, no cases of discrimination or other forms of human rights violation were identified when considering the received reports.

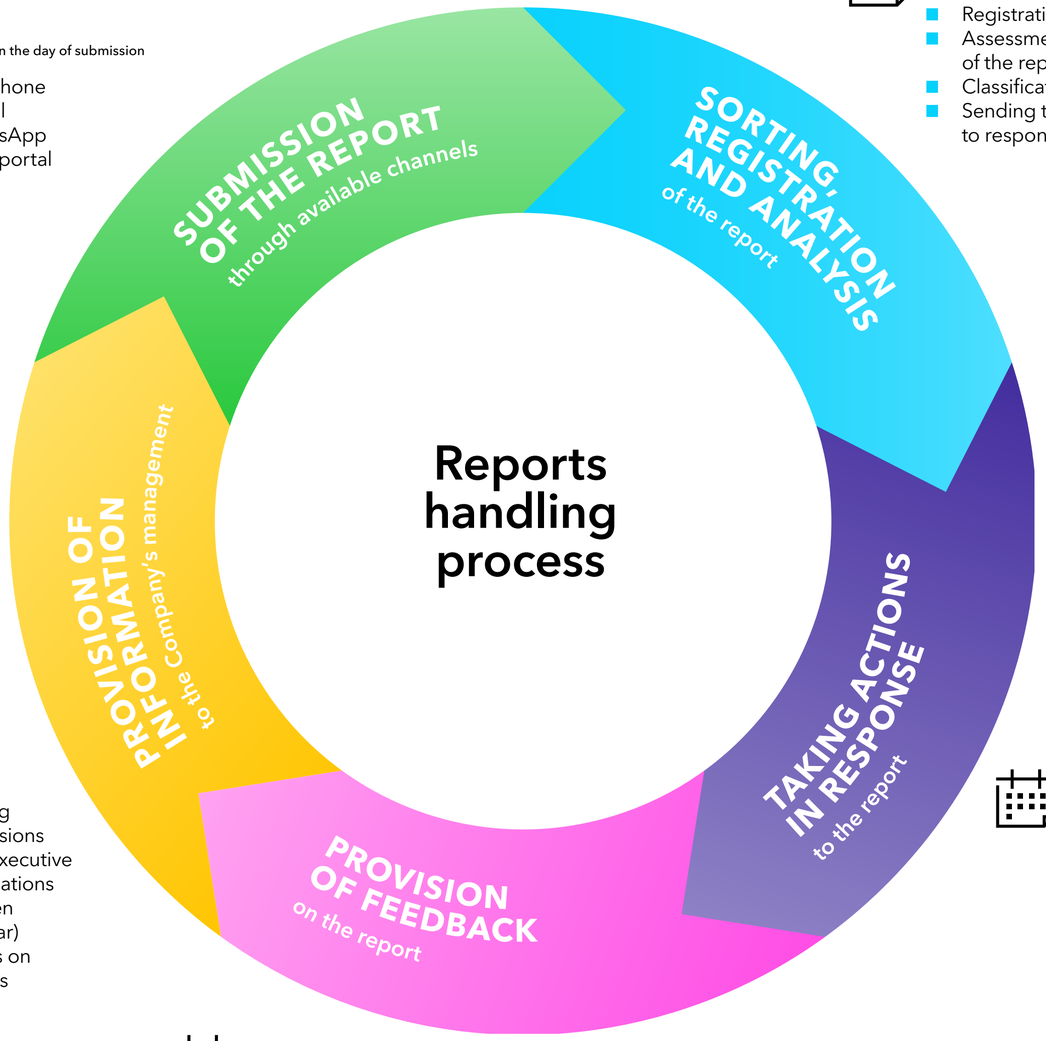
NEXT STEPS

In 2025, the Company intends to:

- have its compliance system certified in accordance with ISO 37301-2021 if the budget allows;
- prepare materials to raise awareness of employees and other stakeholders of the key provisions of the Code of Corporate Ethics;
- update the Suppliers Business Ethics Code;
- develop the concept of compliance ombuds;
- update the Compliance Policy in accordance with the updated organizational structure.

[1] In 2024, ALROSA revised its approach to recording the number of reports: reports on topics irrelevant for the Compliance Hotline are now excluded from the total number of reports.

ALROSA Compliance Hotline reports handling process



Acceptance on the day of submission

- Telephone
- E-mail
- WhatsApp
- Web portal

Processing on the day of submission

- Registration of the report
- Assessment of the relevance of the report
- Classification by topic
- Sending the report to responsible divisions

Up to 30 calendar days

- Standard check and general consideration procedure
- Special consideration procedure (including an internal investigation)

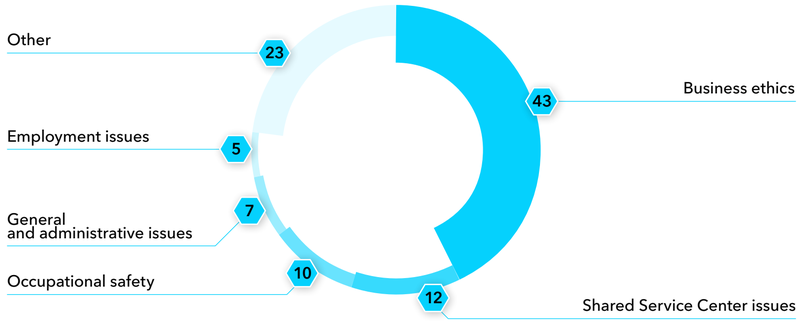
Up to 3 calendar days

- Provision of information on the status of considering anonymous reports
- Sending a response on the measures taken if the person filing the report is known

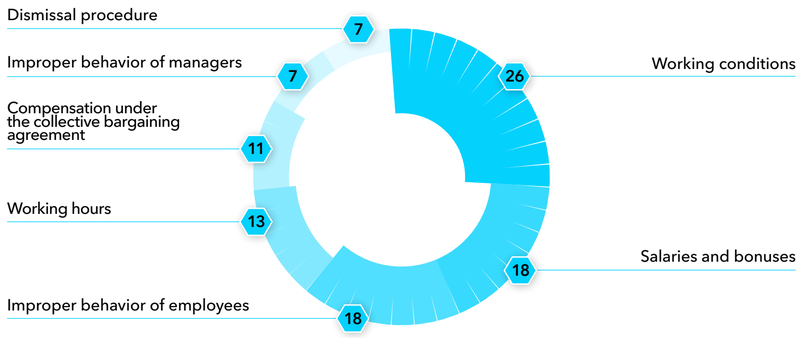
Preparation of a report for the Executive Committee at least twice a year

- Quarterly reporting to responsible divisions
- Reporting to the Executive Committee on violations and measures taken (at least twice a year)
- Recommendations on improving business processes

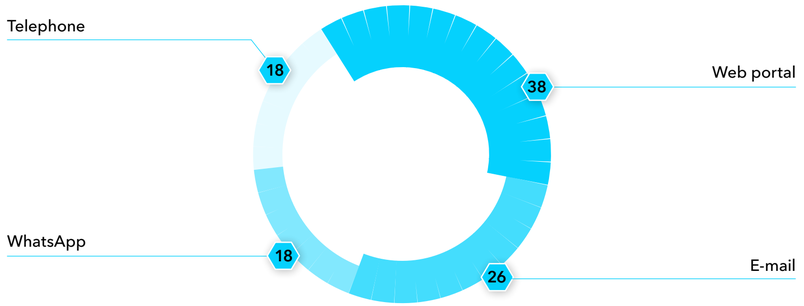
Topics of reports in 2024 %



Reports related to business ethics in 2024 %



Reporting channels in 2024 %



Human rights



Why is it important to ALROSA?

ALROSA adheres to the principles of respect for human rights in all business processes and at all management levels. By maintaining high standards of business ethics among its partners, the Company prevents potential risks in the supply chain.

MATERIAL TOPICS

- Respect for human rights and non-discrimination

REGULATORY DOCUMENTS

Internal

- Code of Corporate Ethics
- Human Rights Policy
- Diversity and Inclusion Policy
- Regulations on the Commission for Compliance with Corporate Ethics and Settlement of Conflicts of Interest
- 2023–2025 Collective Bargaining Agreement [1]

External

- Constitution of the Russian Federation, federal laws and regulations
- International Bill of Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- UN Sustainable Development Goals
- United Nations Global Compact
- UN Guiding Principles on Business and Human Rights

METHODOLOGICAL RECOMMENDATIONS

UN Global Compact Principles

1 2

[1] This document is only available in Russian.

ALLOCATION OF RESPONSIBILITY





Responsibilities of management bodies

BODY	RESPONSIBILITY
Supervisory Board	■ Strategic management of respect for and protection of human rights
Executive Committee	■ Approval of internal human rights regulations
Chief Executive Officer – Chairman of the Executive Committee	■ Approval of guidelines ■ Control over implementation of strategic human rights objectives
Commission for Compliance with Corporate Ethics and Settlement of Conflicts of Interest	■ Consideration of organizational and methodological issues related to human rights, as well as issues of personal responsibility for violation of human rights regulations ■ Monitoring respect for human rights in the Company's internal processes
Heads of functional and structural divisions	■ Control over the respect for human rights in all business processes, identification of violations and timely response thereto
HR function	■ Familiarization of employees with the documents on human rights observance and protection

APPROACH TO ENSURING RESPECT FOR HUMAN RIGHTS

GRI 3-3 GRI 2-23 GRI 2-24

ALROSA adheres to the principles of respect for human rights and exclusion of discrimination in all its forms and manifestations in relations with both internal and external stakeholders. The Company ensures equal opportunities for all its employees regardless of gender, race, nationality, age or any other characteristics. ALROSA builds a corporate culture based on mutual respect and support, thereby creating favorable conditions for unlocking the professional potential of each employee. At the same time, the Company has zero tolerance for the practice of forced labor and acts strictly in accordance with applicable laws in its employment relations.

As a party to the UN Global Compact since 2021, ALROSA reaffirms its commitment to respect for human rights at the international level. At the national level, the Company promotes standards of responsible business conduct through participating in the work of the Expert Council on Sustainable Development under the Ministry of Economic Development of Russia and acting as an expert at meetings of the Corporate Social Responsibility and Sustainable Development Committee of the Russian Union of Industrialists and Entrepreneurs (RSPP).

GRI 408-1 GRI 409-1

ALROSA's commitment to respect for human rights is integrated into the Company's corporate policies and management systems. The approach to ensuring and enforcing human rights is described in the Human Rights Policy. A separate Diversity and Inclusion Policy is devoted to ensuring equal rights and opportunities for employees, as well as creating an inclusive environment in the workplace and in relations with stakeholders. Both policies are binding on all Company employees.

The Company ensures equal rights for men and women in terms of both salaries and parental leave, thereby maintaining a work-life balance of each employee. ALROSA also expects other stakeholders to follow high human rights standards and welcomes their promotion further along the value chain. The Company sets strict requirements for its business partners in terms of compliance with labor laws, creates equal opportunities for all employees and does not allow any forms of exploitation, including child and forced labor. Compliance with these criteria is a prerequisite for establishing business relations with ALROSA.

The Company also places special emphasis on protecting the rights of indigenous minorities of the North due to the fact that they live in the regions of ALROSA's operations. The Company has a multi-level system of support for these communities. ALROSA provides jobs for indigenous minorities and focuses on preserving their culture and traditional lifestyle. Indigenous people are directly involved in the management of the Company, which enables them to influence the adoption of key decisions and ensures that their interests are taken into account in strategic planning.

GRI 2-25 GRI 2-26

Internal and external stakeholders may report any possible violations of human rights in the Company's operations through ALROSA's Compliance Hotline feedback mechanism. The Company ensures the confidentiality of the individual reporting a violation and guarantees the absence of any retaliation. Anonymous reporting of violations is also possible.

For more information on the Company's feedback mechanism, see the Compliance Hotline section.

The Profalmaz trade union is an important human rights protection institution in the Company. It participates both in preventive measures and in the direct protection of employees' rights, thus ensuring a balance of interests of all parties and contributing to the creation of fair working conditions. Together with the trade union, the Company takes measures aimed at:

- prevention and elimination of any violations of human rights and manifestations of behavior leading to the risk of violation of ethical standards;
- reduction of the risk of negative social consequences for employees during the restructuring of the Company;
- support for employees with disabilities;
- out-of-court settlement of labor disputes at the Company.

The trade union's portal has a special service for reports on labor issues from employees who are members of the trade union.

To develop an ethical corporate culture and reduce risks of human rights violations, ALROSA regularly informs and conducts training for employees on business ethics and human rights compliance. In 2024, the Company held five human rights training workshops attended by more 200 people. In addition,16 security service employees were trained in policies and procedures on human rights aspects related to the Company's operations.



HUMAN RIGHTS RISK MANAGEMENT

In the reporting year, the Company approved the 2024 Action Plan to Ensure Compliance with Human Rights and Prevent Discrimination in the Workplace, under which it implemented the following measures:

- development of a methodology (approach) to human rights risk identification and assessment;
- identification, analysis and assessment of human rights risks and impacts;
- drafting a human rights risk register;
- integration of the approach to human rights risk identification and assessment into the corporate risk management system.

The Company updated the list of sustainability risks and opportunities by adding risks of human rights violations to all key groups of sustainability risks and opportunities. ALROSA developed risk management measures for each risk.

For more details on key groups of sustainability risks and opportunities, see the Sustainability risks and opportunities management section

METHODOLOGICAL FRAMEWORK OF ALROSA'S APPROACH TO IDENTIFYING HUMAN RIGHTS RISKS

- United Nations Global Compact
- UN Guiding Principles on Business and Human Rights
- Human Rights Risk Assessment Methodology of the Danish Institute for Human Rights
- Practical Guidance on Human Rights Due Diligence Procedures of the Responsible Investment Association
- GRI 412: Human Rights Assessment

In 2024, the Company assessed compliance risks related to ethics and human rights. The identified risk factors will subsequently be used to analyze personnel engagement through the Voice of ALROSA survey.

ALROSA manages human rights risks in cooperation with external stakeholders as part of the Know Your Counterparty procedure, which, in addition to legal due diligence, checking business reputation, and assessing the financial position of the counterparty, also covers its compliance with ALROSA's corporate ethics principles set forth in the Code of Corporate Ethics and the Supplier Code of Business Ethics, and the ALROSA ALLIANCE Guidelines on Sustainable Business Development[1]. When concluding an agreement following the procurement procedure, a business partner confirms its familiarization with ALROSA's principles and values and undertakes to adhere to them in future. The Company also performs regular checks of data relevance and monitors changes in its counterparties' activities. In 2024, no human rights violations were identified in the activities of ALROSA's counterparties.

HUMAN RIGHTS ETHICS OMBUDS

In 2024, the Company developed a concept for the function of ALROSA's ethics ombuds. The Company considers the function of ethics ombuds as a significant mechanism for feedback and prevention of violations of business ethics and human rights. This mechanism will enable ALROSA to promptly and regularly inform employees about the Company's approaches in this area, advise them in a difficult or ambiguous situation, and promptly resolve situations related to the risk of corporate conflict and/or possible violation of human rights.

Ethics ombuds will not replace the Compliance Hotline, but will supplement ALROSA's feedback system – their tasks will include preventing conflict situations and actively assisting in resolving existing problems through repeated consultations with participants in the situation and escalation of the issue to the senior management levels of the Company. The launch of the function of ethics ombuds in a pilot mode in cooperation with the trade union is scheduled for 2025.

NEXT STEPS

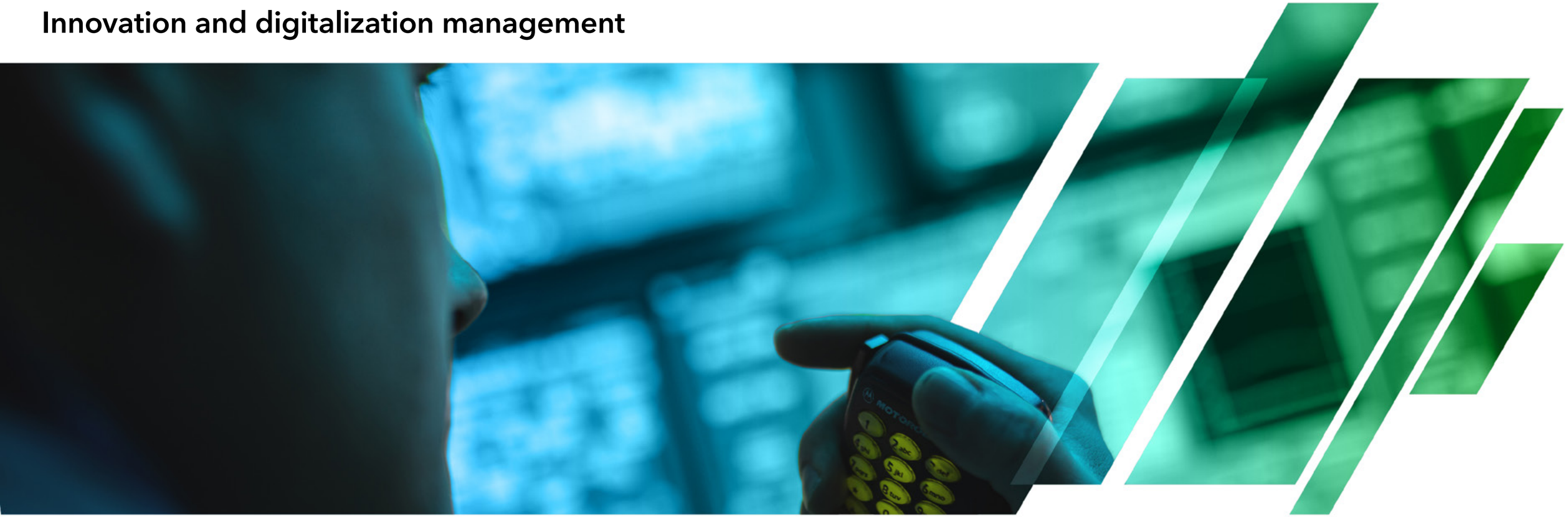
Plans under the new Sustainability Programme up to 2029

GE1
Ensuring respect for human rights

TARGET	PLANS UNDER THE PROGRAM
Ensure compliance with human rights obligations as part of participation in international sectoral organizations	Develop guidelines on due diligence procedures and assessment of ALROSA's impacts on human rights and assess compliance with human rights and business ethics standards at the Company
Ensure consideration and resolution of 100% of reports concerning human rights and business ethics	As part of the implementation of the mechanism of ethics ombuds, develop approaches and principles of interaction with the trade union representatives and their involvement in resolving complex situations
Conduct annual human rights training	Update the human rights training module

[1] This document is only available in Russian.

Innovation and digitalization management



Why is it important to ALROSA?

ALROSA develops proprietary special equipment, conducts research and implements innovative solutions. Modern digital technologies enable the Company to optimize its business processes, create more comfortable and safe working conditions and minimize the environmental footprint of its operations.

REGULATORY DOCUMENTS

Internal

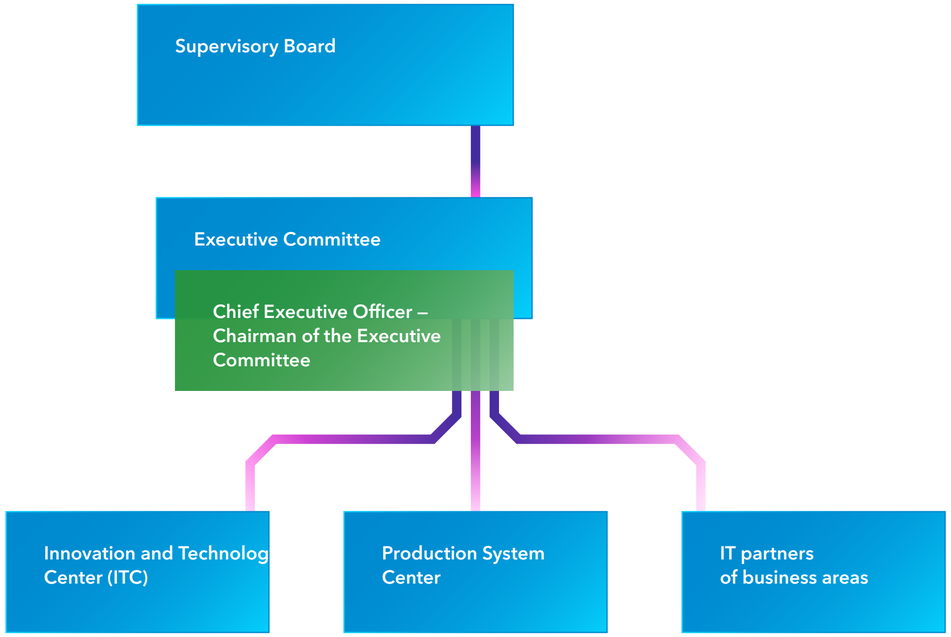
- Innovative Development and Technological Modernization Programme
- Import Substitution Programme
- 2021–2024 Digital Transformation Strategy
- Regulation on the Development and Implementation of the Innovative Development and Technological Modernization Programme

METHODOLOGICAL RECOMMENDATIONS

UN Global Compact Principle

9

ALLOCATION OF RESPONSIBILITY



Responsibilities of management bodies

BODY	RESPONSIBILITY
Supervisory Board	■ Approval of the Innovative Development and Technological Modernization Programme and the annual report on the implementation of the programme
Executive Committee	■ Control of the implementation of the strategic goals in innovation and digitalization management ■ Approval of the Innovative Development and Technological Modernization Programme and the report on its implementation
Chief Executive Officer – Chairman of the Executive Committee	■ Organization and management of innovative activities, including in terms of implementing state policy and decisions of state bodies, as well as decisions of the Supervisory Board
Innovation and Technology Center (ITC)	■ Development of innovative activities, processes requests from internal customers ■ Development and management of innovative projects ■ Engagement of internal divisions and external participants (research institutes, universities, etc.) in projects
Production System Center	■ Modernization of production processes ■ Digitalization management ■ Improvement of production processes efficiency ■ Methodology of the continuous improvement process
Divisions in charge production digitalization	■ Regulation of digitalization work ■ Development of projects at each stage of the digital product life cycle – from hypothesis generation to integration of finished products into the Company's IT landscape ■ Implementation of the goals of the Import Substitution Programme ■ Search, assessment and selection of domestic software, implementation of IT projects on its deployment and replication within the Company ■ Development of the digitalization strategy



INNOVATION MANAGEMENT

ALROSA develops an innovative strategy taking into account the specifics and stages of the production cycle, as well as external factors affecting its operations. The Company implements innovative projects as part of the Innovative Development and Technological Modernization Programme. In 2024, ALROSA began updating the Programme for the period up to 2028, while also planning for its development through 2030. The updated Programme takes into account strategic priorities, the pace of technological progress and the external context of the Company's operations.

ALROSA has introduced a system of quantifiable KPIs to monitor innovative development, and their achievement is assessed annually by independent experts. KPIs, among other things, include mining productivity indicators, the number of patents and other intellectual property protection documents, the economic effect of the Programme to Raise Operating Efficiency and Reduce Costs and the integrated KPI for innovation.

The Company regularly organizes events to involve internal and external stakeholders in the Company's innovative development, using the following tools for these purposes:

- a thematic competition of innovative projects to involve employees in solving specific production tasks;
- One-Stop-Shop System for effective communication with external suppliers;
- search for cutting-edge developments in the public information space and application of best practices of mining enterprises;
- interaction with external innovation platforms (research institutes, research centers, universities, etc.) to jointly solve emerging tasks.

In 2024, the Company received 10 proposals through the One-Stop-Shop System, including the Innovation One-Stop-Shop for innovative ideas and projects. Seven of them were included in the Register of innovative products for possible subsequent implementation.

In 2024, ALROSA, as the rights holder, received 24 certificates on registration of intellectual property protection documents:

- five patents for inventions;
- 13 certificates of the Federal Intellectual Property Service on the state registration of its own software as a computer program;
- four of state registration of the database;
- two patents of the Russian Federation for a utility model.

Three of the registered inventions are related to the creation of a high-tech system for recycled water treatment with the recycling of waste into marketable products.

For more information on the recycled water treatment project, see Water Use.

In the reporting period, the Company completed R&D to develop and manufacture a prototype of a universal high-performance separator, the key advantage of which is the joint operation of two systems – X-ray luminescence and radiographic. This combination makes it possible to recover all diamonds regardless of their gravity, transmission or luminescent properties and thus significantly reduce the Company's processing costs. ALROSA plans to start industrial testing of the separator in 2025–2026.

ALROSA closely monitors AI technologies and implements them in production process automation systems.

Goals of ALROSA's innovation activities



MED-4

RUB 2.7 billion

WAS ALLOCATED TO FINANCE THE INNOVATIVE DEVELOPMENT AND TECHNOLOGICAL MODERNIZATION PROGRAMME IN 2024 [1], INCLUDING RUB 1.3 BILLION FOR R&D

[1] For more details on the Innovative Development and Technological Modernization Programme and R&D financing, see the Company's 2024 Annual Report

WHAT ALROSA IS PROUD OF

MACAO INTERNATIONAL INNOVATION & INVENTION EXPOSITION

In October 2024, the 12th International Innovation & Invention Exposition (Macao International Invention EXPO) was held in Macao (China), which was attended by representatives from more than 20 countries.

All ALROSA's developments were awarded gold medals and special prizes, in total the Company received 10 awards. The key assessment criteria were industrial applicability, efficiency, environmental friendliness, digitalization and mandatory availability of protection documents for the innovations presented. Several awards at once were received for the following ALROSA inventions:

- **A DIAMOND IDENTIFICATION DEVICE** for determining whether polished treated are made of natural, synthetic or refined diamonds;
- **A COMPREHENSIVE DEVELOPMENT ON THE ENVIRONMENTAL FRIENDLINESS OF MINING,** including a method for creating intraground protection of a hydraulic structure in cryolithozone and a method for recycling industrial wastewater of an enterprise in cryolithozone conditions;
- **COMPREHENSIVE DEVELOPMENT OF EXPLORATION SUPPORT DIGITALIZATION** – a package of software products and databases to automate the operations of the geological exploration unit.



Innovative projects with AI elements in 2024

PROJECT	2024 RESULTS
Machine vision systems to analyze the operation of dump trucks	ALROSA completed pilot tests of the machine vision system to determine the load factor of dump trucks at an underground mine. The tests confirmed the high accuracy of the system, and the Company decided to scale the product to other assets and other types of vehicles used.
Machine vision systems on conveyor belts	ALROSA tested the conveyor belt integrity control system using machine vision. The system demonstrated many-fold higher accuracy and speed of identification of new defects, relative to the regular scheduled inspection procedure performed by repair personnel.
Application of machine vision methods for the processing technology	As part of R&D activities for the creation of a diamond shape scanning device to detect man-made damage to diamond products, ALROSA developed a software product using AI to search for areas of man-made chips and transfer the areas of chips to 3D diamond models.

DIGITAL TRANSFORMATION

ALROSA considers digital technologies as the main driver of its innovative development and technological modernization. The Company has adopted the 2024 Digital Transformation Strategy, which establishes long-term goals for processes digitalization and automation, as well as information security. The strategy is aimed at introducing modern technologies to enhance the efficiency of production processes and at improving the data-based operational management mechanism. In the reporting period, ALROSA formed a single Production System Center that brought together the functions of key divisions responsible for production digitalization. This solution made it possible to increase the efficiency of operations in the Company's strategic areas – production, maintenance and repair, logistics, IT strategy, integration of AI elements into business processes.

To enhance employees' digital skills, ALROSA has introduced a digital competency training system. In 2024, more than 1,200 employees took the Digital Literacy course. Training seminars were held for certain ALROSA divisions.

In 2024, the Company's IT portfolio included 79 projects. ALROSA's digital transformation activities in the reporting period were aimed at improving the corporate digital landscape – increasing the efficiency of previously implemented solutions, analyzing the possibilities of using integrated platform tools for managing production processes and testing various digital hypotheses for economic and production efficiency. During the reporting year, IT employees completed 20 automation and digitalization projects, including projects in the following areas.

ALROSA supports the development of digital projects in the regions of presence: it has been cooperating with Russian IT developers for several years to help them create competitive industry solutions. In the reporting year, as part of a three-year agreement with the Innovation Development Fund of Yakutia, ALROSA spent RUB 100 million to support innovations and implement software import substitution projects, including software used in the diamond mining industry. At the end of 2024, the joint portfolio of projects of ALROSA and the Innovation Development Fund of Republic of Sakha (Yakutia)included ten IT projects in various areas – from production and repair to medicine and aviation, including:

- creation of the basis for digitization of the analysis of mining vehicles operation;
- development of a corporate training system, a system for processing medical images using computer vision and machine learning;
- commissioning of an aircraft engine performance monitoring system.

In 2024, ALROSA implemented a project to lay an optical fiber network connecting four mines and six settlements in Yakutia. The new infrastructure made it possible to create a sustainable network capable of operating in difficult climatic conditions. The project was recognized as the best in the category "PRO Trust" of the annual national award "PRO Business as Art".

Areas of digitalization in 2024

AREAS	2024 RESULTS
Transition of production and other systems to Russian solutions	ALROSA completed the transition to Russian software for mining modeling and planning as part of a single digital platform. More than 200 employees of production divisions received training on working with the system, which is planned to be put into commercial operation in 2025
	The Company performed design work at the Lomonosovsky MPD to implement a MES-class system at production facilities and prepared the relevant infrastructure to implement the Russian solution
Increasing the efficiency of business processes	ALROSA implemented a system of indicator control of separators at the processing plant of the Mirny and Nyurba MPD, which makes it possible to perform a more stable continuous automatic assessment of the diamond extraction process
	The Company completed the implementation of an automated underground mining dispatching system at the Aikhal mine, and initiated such a project at the Internatsionalny mine of the Mirny and Nyurba MPD
Improving the OHS system	The Company installed a methane control device for self-propelled mining equipment at the Udachny MPD and the Mirny and Nyurba MPD to perform automatic continuous monitoring of gas atmosphere parameters
	ALROSA introduced a system sending SMS and email alerts regarding the maximum permissible concentrations of combustible and toxic gases at the Internatsionalny and Udachny mines
	The Company completed the centralization of services for maintenance, installation and design of fire protection systems and integrated technical safety systems of PJSC ALROSA

IMPORT SUBSTITUTION

Transition to Russian technological and digital solutions is one of the Company's key goals set forth in the updated Digital Transformation Strategy. At the same time, ALROSA pays special attention to the economic effect of digital solutions implementation and their contribution to the achievement of the Company's strategic goals. The ALROSA Import Substitution Center assesses the effectiveness of digital transformation measures according to several criteria, including the analysis of software installation and maintenance expenses and consideration of KPIs of the transition to domestic software.

At the same time, ALROSA performs a detailed analysis of each product to be implemented for compliance with its functional and technical requirements.

In 2024, under the corporate Import Substitution Programme, ALROSA prepared a roadmap and developed an Action Plan for the transition to domestic software when using analogues and proprietary developments. In addition to developing software solutions, the Company ensures their registration in the relevant registers, which makes it possible to promote its solutions and contribute to the development of the Russian software market as a whole.



WHAT ALROSA IS PROUD OF

WINNER IN THE INTERNATIONAL COMPETITION 1C: PROJECT OF THE YEAR

The ALROSA project on the implementation of an automated system for issuing work permits and work assignments was recognized as the Best Regional Project in the Far Eastern Federal District. The implementation of this project enabled the Company to significantly simplify the process of issuing work orders and, as a result, improve the safety of work.

The pilot implementation of the digital solution has already been completed at four sites of the Udachny MPD. More than 100 people are engaged in the project. The Company recognized the pilot project as successfully implemented and plans to replicate it to all its sites by 2026.

AGREEMENT ON INNOVATION DEVELOPMENT IN YAKUTIA

In 2024, on the sidelines of the Digital Diamond federal forum, ALROSA and the Ministry of Innovation, Digital Development and Information and Communications Technologies of the Republic of Sakha (Yakutia) signed a memorandum of intent and cooperation in the development of the IT industry in the region. The document is aimed at fostering cooperation in the field of innovation and digital development of the region, solving the IT tasks of large subsoil users, including in the diamond mining industry.

As part of import substitution, the Company has already transferred all key business processes to Russian software. By the end of 2024, the Company had achieved a 100% transition to domestic solutions for a number of IT products. ALROSA already uses Russian antivirus software, data solutions, email solutions for mobile devices and applies exclusively Russian cloud solutions.

ALROSA is actively involved in the work of the Russian Metallurgy Industrial Center of Excellence aimed at import substitution and achieving technological sovereignty of the Russian Federation. In early 2025, ALROSA also joined the Association of the Largest Software and Hardware Consumers. The Association is a recognized expert platform that facilitates the search and implementation of the best solutions and provides extensive opportunities for communication among consumers, software and hardware manufacturers and the state. ALROSA's participation will increase the efficiency of efforts to achieve the Company's technological sovereignty and help strengthen cross-sectoral cooperation.

NEXT STEPS

In 2025, ALROSA intends to:

- complete the implementation of the MINEFRAME Russian software product to be used as a mining and geological information system;
- test certain AI technological solutions to improve the efficiency of exploration and ore treatment processes;
- develop software for medium-term and ongoing planning of open-pit and underground mining;
- continue the transition to domestic ERP, implement a number of information security projects and basic infrastructure projects;
- approve the regulations establishing the procedure for registering proprietary software developments in the unified register of Russian software and obtaining the relevant certificates.

The machine vision of the innovative ALROSA mining rig detects large chunks of rock on a screen grid and calculates the effective impact point. It is equipped with a neural network that stops work when there are people and equipment in the work area. The system is operating in pilot mode at the Udachny MPD.



+14%

increased

THE INNOVATIVE DEVELOPMENT AND TECHNOLOGICAL MODERNIZATION PROGRAMME COSTS COMPARED TO 2023

WHAT ALROSA IS PROUD OF

PROJECT OF THE YEAR 2024 AWARD

The project to improve the operating efficiency of ALROSA enterprises and deposits was recognized as the best in the Production Management category in the Project of the Year 2024 competition. The competition was organized by the professional community of IT directors Global CIO.

The digitalization tasks of open-pit and underground mining at the Udachny, Aikhal and Mirny and Nyurba MPDs were solved during the project. The implementation of the project ensured an increase in the overall efficiency of production, a reduction in the shift break, time for shift maintenance, a reduction in downtime of equipment and the introduction of a data-based driver incentive system.

2024 TADVISER IT PRIZE

ALROSA's project to create mobile jobs based on Russian software was awarded the TAdviser IT Prize in the category Employee Mobile Jobs: Project of the Year.

The innovative solution is a single secure application that combines all necessary office tools. The platform is available on various mobile devices, including smartphones and tablets, which ensures maximum mobility for employees. Special consideration is given to information security of the application: the security system significantly reduces the risks associated with confidential data leakage and other potential information security threats.

Information security



Why is it important to ALROSA?

ALROSA's information security system plays a crucial role in maintaining the Company's ongoing operations, especially as business processes become more digital, management and industrial automation systems evolve, and geopolitical influences grow.

REGULATORY DOCUMENTS

Internal

- Information Security Policy
- Critical Information Infrastructure Security Policy
- Personal Data Processing and Privacy Policy [1]
- Regulations on Personal Data Processing
- Regulations on Personal Data Protection

[1] This document is only available in Russian.

OBJECTIVES OF THE ALROSA INFORMATION SECURITY MANAGEMENT SYSTEM

- prevention of cyber attacks
- assessment of the effectiveness of protection measures
- development and implementation of an information security strategy
- development of cross-functional cyber incident response metrics and indicators

In 2024, ALROSA also approved the Information Security Development Strategy for 2024–2026 and addressed the vulnerabilities of its IT resources, while enhancing the protection of IT infrastructure, building new information security processes, and initiating projects to increase the level of protection of information systems and infrastructure services. In addition, in the reporting period the Company was engaged in establishing a Cyber Resilience Center based on the SOC (Security Operation Center). The activities completed resulted in improved protection for the Company's IT infrastructure.

With the rise of targeted cyber attacks on ALROSA Group, the Company paid special attention to training and awareness raising for employees on this topic. The measures implemented ensured an increase in employees' understanding of information security, especially in relation to defending against social engineering techniques.



PERSONAL DATA PROTECTION

ALROSA focuses on the protection of confidential information of its clients, employees and business partners, ensuring a full cycle of work with personal data from their collection to reliable storage.

The head of the Information Security Center is responsible for protecting personal data, and the data processing process is controlled by the head of the Internal Control and Compliance Department.

In 2024, ALROSA approved a new Personal Data Processing and Privacy Policy, mandatory for all employees. ALROSA educates each employee on the details of the Policy, which is acknowledged through an employee's signature.

When processing personal data, ALROSA takes the necessary legal, organizational and technical measures to protect personal information from accidental or unauthorized access, destruction, amendment, distribution, and other illegal actions in relation to personal data. The activities encompass the following:

- appointment, education and training of persons responsible for personal data processing and protection;
- identification of potential threats during processing personal data, instances of unauthorized access, development of response measures to such cases and assessment of possible harm;
- development of measures to restore personal data in the event of their modification and/or destruction
- assessment of the effectiveness of measures taken, internal control and audit of compliance of personal data processing with the requirements of legislation and internal regulatory documents of the Company.

GRI 418-1

In 2024, there were no cases of personal data privacy violations or their illegal transfer, as well as no complaints about data leakage and confidentiality violations were recorded.

DEVELOPMENT OF HUMAN CAPITAL

61 Approach to HR management
62 Headcount and personnel structure
64 Employee recruitment and onboarding
67 Creation of jobs in the regions of operations
Remuneration and motivation
70 Training and development
73 Social support and partnership
75 Next steps



2024 HIGHLIGHTS

THE PROCESS OF RECRUITING WAS STREAMLINED, AND AVENUES FOR ATTRACTING POTENTIAL CANDIDATES WERE BROADENED, INCLUDING THE ESTABLISHMENT OF A REFERRAL PROGRAM

THE ONBOARDING PROCESS FOR NEW STAFF WAS ENHANCED, AND TRAINING INITIATIVES WERE IMPLEMENTED TO FACILITATE ONBOARDING

AN INITIATIVE WAS LAUNCHED TO PROVIDE TRAINING FOR INDIVIDUALS WITHOUT JOBS, LEADING TO POTENTIAL EMPLOYMENT OPPORTUNITIES WITHIN THE COMPANY

SEVERAL INITIATIVES WERE IMPLEMENTED TO IMPROVE THE WORKING ENVIRONMENT FOR EMPLOYEES ON SHIFT SCHEDULES

Progress under the 2021–2025 ALROSA Group Sustainability Programme[1]

	TARGET	PROGRESS FOR 2024	PROGRESS SINCE THE PROGRAMME LAUNCH	
P1 **Recruiting and retaining talent**	Achieving staff turnover rate at level not exceeding 9% by 2025 (with 1% annual decrease since 2020)	**9%** for ALROSA Group (+1 p.p. from 2023) **6%** for the Diamond Mining and Processing Operations (unchanged)	The staff turnover rate decreased by 6 p.p. from 2020, considering the revised calculation approach	✓
P2 **Promoting diversity and inclusivity**	Maintaining at least 30% ratio of women in the total workforce annually	**31%** for ALROSA Group (unchanged) **27%** for the Diamond Mining and Processing Operations (–1 p.p. vs 2023)	The Company managed to keep the indicator at the level of at least 30% annually	✓
	Ensuring at least a 11% share of indigenous peoples[2] in the total workforce of PJSC ALROSA annually	**12%** for ALROSA Group (–1 p.p. from 2023) **11%** for PJSC ALROSA (unchanged)	The Company managed to keep the indicator at the level of at least 11% annually	✓
	Implementing programs aimed at professional and career development of young specialists of the Company and young people in the regions of operation	**4** management and leadership development programs were ongoing Development of career guidance programs continued	An educational program for young specialists was developed to advance soft skills The ALROSA.FORCE achievement rating was introduced for young specialists, students and schoolchildren ALROSA held corporate case studies championships	✓
	Implementing onboarding programs for new employees	Training programs were introduced to facilitate the onboarding process Methodological recommendations on the onboarding process were developed Employees responsible for the process were assigned	A single system for onboarding new employees was launched The mentoring system for employees and support functions was scaled up A Profproby Project was deployed to adapt interns and young specialists of ALROSA	✓
P3 **Providing employees with access to high-quality and contemporary training and occupational development programs**	Achieving at least 88% ratio of employees in the total workforce covered by corporate training programs by 2025 (with an annual increase of 2–3%)	**71%** for ALROSA Group (–4 p.p. vs 2023) **79%** for the Diamond Mining and Processing Operations (–7 p.p. vs 2023) The relevant KPIs for the HR function are in effect	The share of trained employees increased by 10 p.p. compared to 2021	✎

✓ Task completed

✎ Task included in 2025–2029 Sustainability Programme

Task in progress

Task not completed

[1] The targets cover the Diamond Mining and Processing Operations.
[2] Indigenous peoples mean indigenous small-numbered peoples of the Russian Federation – peoples living in the North, Siberia and the Far East on their ancestral lands, preserving their traditional lifestyles, activities and crafts, numbering less than 50,000 people, and recognizing themselves as independent ethnic communities.

	TARGET	PROGRESS FOR 2024	PROGRESS SINCE THE PROGRAMME LAUNCH	
P3 **Providing employees with access to high-quality and contemporary training and occupational development programs**	Achieving at least 31 hours of training on average per employee per year	**43 HOURS** for ALROSA Group (–10% vs 2023) **49 HOURS** for the Diamond Mining and Processing Operations (–17% vs 2023)	The Company managed to keep the indicator at the level of at least 31 hours annually	✓
P4 **Promoting local employment**	Achieving 100% of the targets set under state local employment programs	**6,600 PEOPLE** were employed under the "Local Staff in Industry" program (+63% vs 2023)	More than 17 thousand people were hired under the program in 2021–2024	✓
	Ensuring at least 90% ratio of local employees (Russian citizens) in the total workforce annually	**98%** for ALROSA Group (unchanged) **98%** for the Diamond Mining and Processing Operations (unchanged)[1]	The Company managed to keep the indicator at the level of at least 90% annually	✓
P5 **Improving employee engagement and satisfaction**	Achieving a 60% employee satisfaction and loyalty rate by 2025 (with an annual increase of 2%)	**71%** (unchanged) The completion rate of the improvement activities based on engagement survey results was over 94% (more than 1,000 events were held)	The engagement indicator increased by 14 p.p. compared to 2021	✓



[1] The Company clarified the data on the Diamond Mining and Processing Operations for previous reporting periods. The values for 2021, 2022 and 2023 were 99%, 98% and 98%, respectively.



Why is it important to ALROSA?

Employee care is one of the key factors in ALROSA's successful development. The Company creates safe and decent working conditions, expands opportunities for training and career development, and ensures social protection of employees.

[1] This document is only available in Russian.

MATERIAL TOPICS

- Decent working conditions
- Employee training and development

REGULATORY DOCUMENTS

Internal

- 2023–2025 Collective Bargaining Agreement[1]
- Social Policy of ALROSA Group
- Human Rights Policy
- Diversity and Inclusion Policy
- Organizational and administrative documents, orders and other internal documents

External

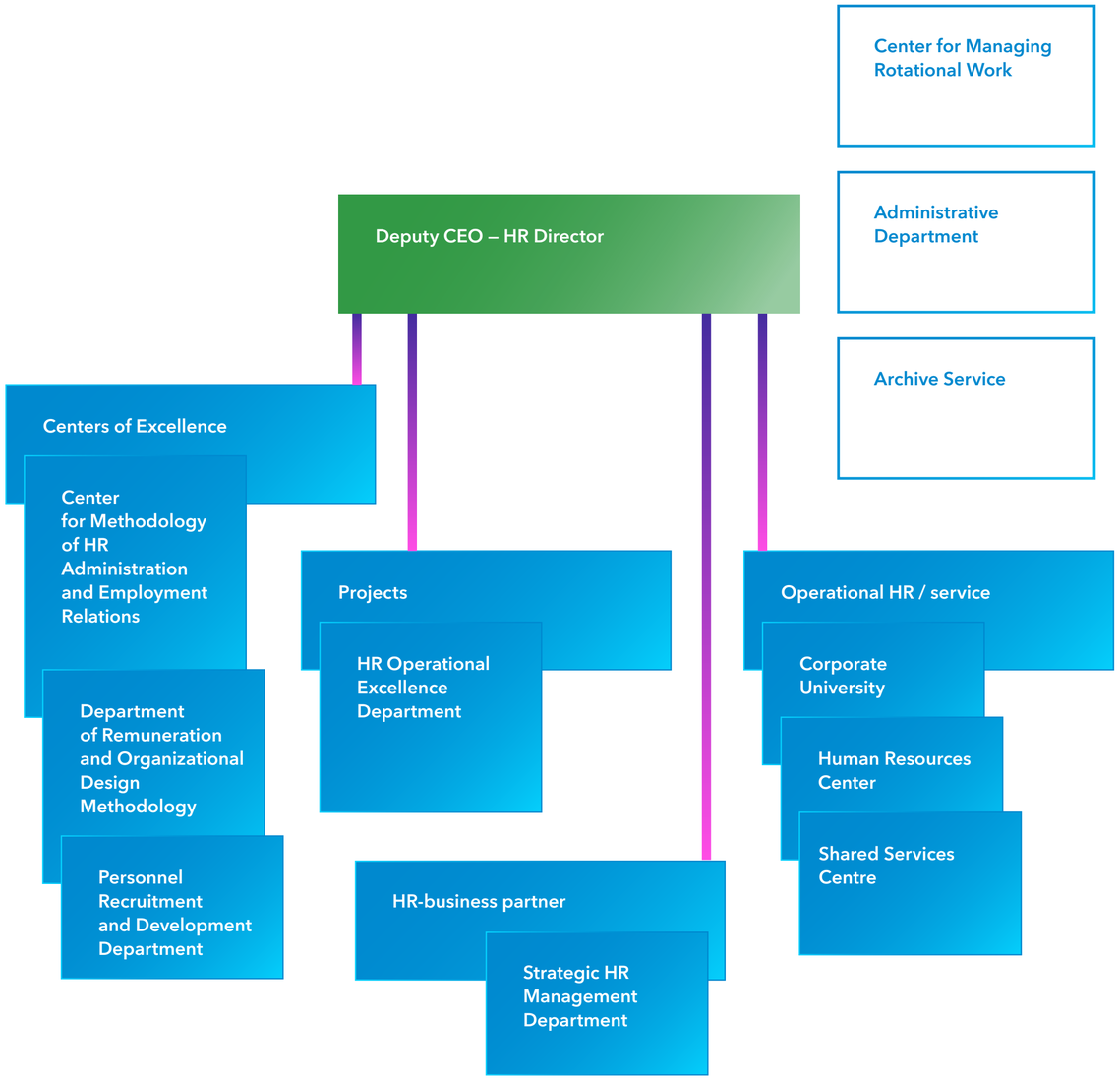
- Labor Code of the Russian Federation
- Federal laws and regulations of the Russian Federation

METHODOLOGICAL RECOMMENDATIONS

UN Global Compact Principles

3 4 5 6

ALLOCATION OF RESPONSIBILITY



Responsibilities of management bodies

BODY	RESPONSIBILITY
Deputy CEO – HR Director	■ Control over the HR policy implementation ■ Control over appointments, motivation issues, and social policy implementation
Centers of Excellence	■ Participation in the HR strategy elaboration ■ Elaboration and enhancement of a methodology for HR management processes, incentive schemes, performance assessment and remuneration systems, and talent management ■ Elaboration of corporate training programs ■ Elaboration of the Company's internal regulatory documents regulating labor relations ■ Management of payroll, compensation and benefits functions
HR-business partner	■ Consolidation and creation of overall HR strategies for business areas and functions ■ Supporting the achievement of strategic goals by divisions ■ Customization of solutions with the involvement of the Centers of Excellence ■ HR support for business projects
Operational HR / service	■ Implementation of corporate training and development programs ■ Administration of budgeting and reporting ■ Preparation of regulatory documents ■ Local recruitment and recruitment support ■ Execution of operational functions in HR management
Projects	■ Monitoring of the HR strategy implementation ■ Development and monitoring of functional KPIs ■ Management of operating efficiency projects and IT projects for functions ■ Implementation of the automation program, and HR analytics
Administrative Department	■ Coordination of the Company's Archive Service, regulatory support for the organization of archive storage ■ Support for the workflow in the electronic document management system ■ Organization of and keeping records during negotiations and management events
Center for Managing Rotational Work	■ Participation in the development and implementation of the Company's goals and policy related to the organization of work on a rotational schedule ■ Development of plans and programs to organize rotational work, its coordination, control over compliance with the requirements for hiring rotational workers and improvement of the process ■ Operational interaction with functional units of ALROSA Group enterprises
Archive Service	■ Management of archives and fulfillment of requests from the Company's divisions ■ Development and implementation of methodological and regulatory documents to organize the Company's archive-keeping operations ■ Participation in the development of requirements and implementation of the Company's electronic archive system

Approach to HR management

GRI 3-3

The key to achieving ALROSA's strategic goals is its qualified and motivated personnel. The Company implements an HR policy focused on fostering a cohesive group of experts, unlocking their potential, and promoting a workplace that values inclusivity along with equal chances for employment and career advancement.

In creating the HR policy, ALROSA cares about employees' opinion. On a regular basis, the Company conducts employee surveys and collects feedback through the ALROSA Voice project, which makes it possible to promptly respond to the needs of the team and define measures to improve working conditions.

In the reporting year, investment in the development of human resources remained ALROSA's key priority. The Company promptly indexed salaries and provided employees with extensive opportunities for career growth and development of leadership competencies within ALROSA Group.

In 2024, the Company focused on solving current issues, including those associated with labor market changes and business process optimization:

- development of the institution of mentoring and succession, the onboarding system;
- development of a unified methodology for professional training and building competency models;
- leadership training, development of the leadership system;
- career guidance for schoolchildren, students and young specialists;
- professional retraining of redundant employees, their assignment to vacant roles within the business;
- training and engagement of local staff.



WHAT ALROSA IS PROUD OF

GRI 2-26

ALROSA VOICE

The Company conducts an employee survey every two years as part of the ALROSA Voice initiative, where employees can anonymously express their opinion on working conditions, the management's work and other significant aspects of corporate life.

According to the results of the 2024 survey, the level of employee engagement remained high at 71%, exceeding the industry average by 3 p.p. Staff members expressed high satisfaction with the culture of safety, the atmosphere within the team, the quality of working conditions, and their interactions with management.

Based on the survey results, improvement measures have been developed for the next two years both for ALROSA Group and each enterprise within its perimeter.

71%

ENGAGEMENT LEVEL

25 k employees

TOOK PART IN THE SURVEY

Headcount and personnel structure

GRI 2-7

As at the end of 2024, ALROSA Group's total headcount reached 35,511 people. The majority of the Company's employees are based in Russia, with more than 80% of employees working in the Republic of Sakha (Yakutia).

Based on the needs of the Company and employees, ALROSA offers them various employment formats. At the end of 2024, the majority (99.6%) of employees worked full-time, as well as under permanent employment contracts (91%). Temporary employment contracts were concluded with 9% of employees due to the seasonal nature of work at some of the Company's enterprises, the temporary expansion of production or the scope of work, as well as the involvement of employees to fulfill the duties of an absent main employee, who, by virtue of the law, retains a place of work.

In order to effectively manage human resources, ALROSA monitors the turnover rate and takes measures to reduce it by improving working conditions, increasing wages and expanding the benefits. In 2024, the turnover rate increased by 1 p.p. and amounted 9%.

All ALROSA Group enterprises are integrated into production complexes depending on their line of business. The largest of them is the Diamond Mining and Processing Operations employing about 75% of the staff.

Due to the specifics of the mining industry, the share of workers is 64% of the total number of the Company employees.



GRI 401-1 MED-33

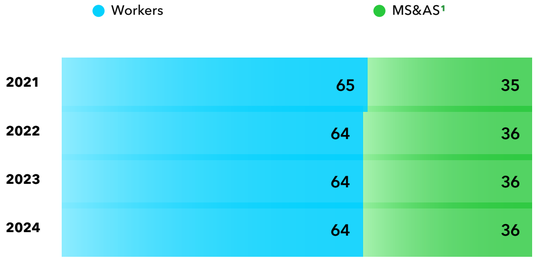
Headcount of ALROSA Group as at the end of 2024 people



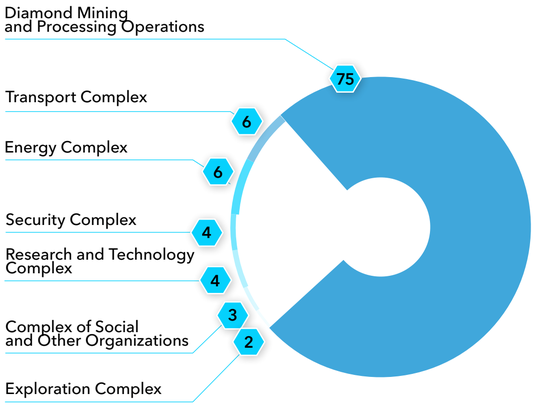
Staff turnover for ALROSA Group %



Personnel structure by category for ALROSA Group %



Structure of ALROSA Group's personnel by complex in 2024 %



[1] MS&AS – managers, specialists and administrative staff.

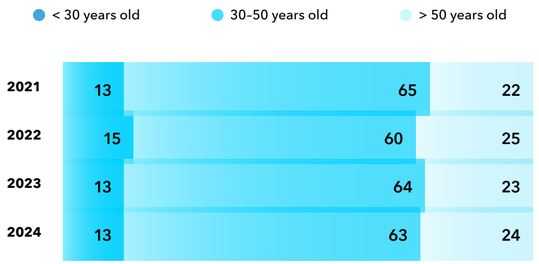
MED-44

The prevailing difficult and dangerous working conditions largely determine the age and gender structure of the Company's personnel. ALROSA features a robust female demographic, with women making up 31% of the total employee count and 26% of the managerial staff, exceeding typical industry figures. Women participate in an array of occupations, which include jobs like dispatcher, welder, and surveyor.

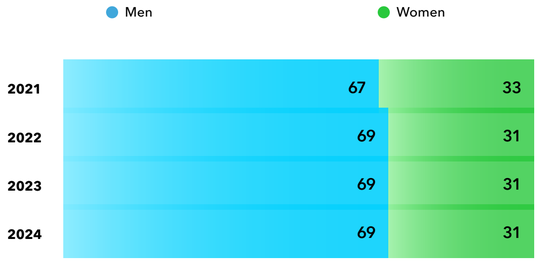
The majority of ALROSA's personnel are employees aged 30 to 50, with their share reaching 63% in 2024, also due to the specifics of the Company's operations.

For more details on the personnel structure, see the Additional indicators in the Appendix.

Personnel structure by age for ALROSA Group %



Personnel structure by gender for ALROSA Group %



7%
share of women
IN THE SUPERVISORY BOARD

31%
share of women
IN THE TOTAL WORKFORCE



17%
share of women
IN THE EXECUTIVE COMMITTEE

Employee recruitment and onboarding

Considering the shortage of personnel, especially workers and engineers, and the high level of competition in the labor market, the Company focused on the development of its HR brand, as well as work with young people and training personnel, in 2024.

PROMOTION OF THE HR BRAND

ALROSA is taking the following steps to increase its appeal as an employer:

- promoting industry professions, increasing brand awareness in the regions of operations, educating about the advantages and opportunities at ALROSA;
- developing alternative channels for attracting new employees;
- implementing a referral program;
- improving working conditions of shift workers at large enterprises of ALROSA;
- career guidance activities;
- taking a set of measures to onboard new employees.

ALROSA developed a systematic approach to attracting candidates through alternative communication channels. The Company uses social networks and messengers, as well as targeted and contextual advertising, as tools to attract new staff. In 2024, using these tools, the Company received more than 17,000 additional responses to vacancies and hired more than 600 new employees.

In addition, ALROSA established a referral scheme known as “Invite a Friend.” An employee may recommend a candidate for employment to one of the Company's divisions. Those who are endorsed for the position are selected under general conditions, and if they pass their probation, the referrer is granted a financial incentive. During the reporting period, 189 candidates submitted applications through the "Invite a Friend" referral program, with 51 of them hired by ALROSA.



To optimize the recruitment process, the Company introduced the Potok (Flow) digital HR platform in 2024. This information system helps perform a qualitative analysis of recruitment processes and the results of the Company's interaction with candidates from the announcement of a vacancy to recruitment.

In the recruitment process, ALROSA is guided by the principles of inclusivity and respect for the individual characteristics of candidates set forth in the Diversity and Inclusion Policy. The Company strives to promote gender and age equality while fostering an inclusive atmosphere that accommodates individuals with disabilities.

MED-25

ALROSA cooperates with employment centers in the regions of operations and considers proposals for filling quota positions. The industry specifics related to harmful production factors limit employment opportunities for people with disabilities. Despite this, the Company creates special jobs and promotes the social adaptation of such people. As at the end of 2024, ALROSA employed 195 people with disabilities.

GRI 401-1

Total number of new employee hires in ALROSA Group
people



UNIFIED EMPLOYEE ONBOARDING SYSTEM

In 2024, ALROSA continued to improve the employee onboarding system by developing guidance for each stage, and appointing employees responsible for the onboarding process at enterprises.

New employees are assigned an e-course "Welcome to ALROSA," describing the key aspects of the Company's and its enterprises' operations, the social programs and training opportunities. In addition to the course, an introductory webinar for new employees is held on a monthly basis.

In 2024, the Company paid special attention to training managers in facilitating the onboarding process, as they determine the responsibilities of new hires, monitor their work and provide feedback. During the reporting period, the Company held over 70 training meetings, seminars and webinars with ALROSA executives of various levels.

Besides, the Company developed additional training programs for production managers who transitioned into management roles from the workforce and lacked prior education in management skills. To this end, two e-courses were introduced, on the adaptation of workers and the adaptation of MS&AS. These courses contain the necessary theoretical framework, as well as a detailed analysis of practical situations that the manager may encounter during the adaptation of a new employee. Each course comes with notes and checklists, which the manager can utilize to track the employee onboarding process. In 2024, 497 employees received such training, and the number of assignments to mentees more than doubled.

Feedback regarding the onboarding journey of new hires is systematically gathered through pulse surveys conducted at intervals of one week, one month, and three months following their employment. The feedback is used to enhance the onboarding processes for new employees. In 2024, the Company created several informational documents for new hires, focusing on the social benefits and voluntary medical insurance plans, based on the analysis of requests received.

COOPERATION WITH UNIVERSITIES AND COLLEGES

In order to promote its HR brand and attract young talents, the Company holds annual events for students of specialized universities, internships and provides opportunities for professional growth.

ALROSA is a company with unique production processes. To provide in-depth training for future employees, given the industry specifics, the Company creates corporate training centers (specialized university departments) in relevant specialties. The ALROSA departments operate at the Irkutsk National Research Technical University (INRTU), Moscow Entrepreneurship College No.11, and the Transbaikal State University (since 2024). In the reporting period, the Company entered into a career guidance cooperation agreement with Higher School of Economics.

COOPERATION WITH SCHOOLS

ALROSA cultivates a potential talent pool among residents of the regions of operations by building a continuous educational environment, including schools, universities, Company trainings. The Company finances educational initiatives, implements development and support programs for children and youth, provides targeted assistance to educational institutions; and participates in the construction and repair of schools and educational centers.

744
students
DID AN INTERNSHIP AT THE COMPANY IN 2024

329
young specialists
WERE HIRED

including
199
university graduates
WHO WERE EMPLOYED BY ALROSA AFTER COMPLETING THEIR INTERNSHIP

WHAT ALROSA IS PROUD OF

MENTORING SYSTEM

The corporate mentoring system applies to employees of both production divisions and support functions. New employees and young specialists are paired with seasoned mentors from the ranks of skilled employees, who assist them in enhancing their work efficiency and quality while familiarizing them with the unique aspects of the Company's operations.

The program offers financial incentives to mentors, with the amount depending on how well the mentees perform in the theoretical exam based on the results of training, how they are assessed by their immediate supervisor and how the mentees evaluate the work of their mentor himself/herself.

In 2024, ALROSA mentors took part in the Inter-Corporate Mentoring Case Study Championship in Moscow for the first time. The team reached the final, taking the fourth place among representatives of the country's leading companies.



Engagement initiatives with universities and colleges

NAME	DESCRIPTION	RESULTS FOR 2024
CASE-IN Championship	ALROSA is a strategic partner and develops cases for participants. The winners are guaranteed employment, and finalists are invited to a paid internship	■ 24 Russian universities participated in the qualifying stages of the championship ■ 552 students took part in the Championship ■ 27 employees of the Company acted as experts
Corporate engineering case championships	The goal of the project is to create conditions for the development of professional knowledge and competencies of young people. In 2024, the championships were held in seven different areas	■ 58 teams with 106 students ■ 17 teams with 69 young specialists of the Company
ALROSA Career Day	A career event aimed at attracting students of colleges and universities to the Company, as well as promoting the HR brand in both youth and professional communities	■ 800 students took part in the career events
Summer internship for students	Students of specialized universities engage in internships that can range from three weeks to three months, depending on their area of study. All students receive salaries, and non-local students receive additional compensation for accommodation and travel to the internship location	■ 744 students completed internships ■ >50% of interns return to the Company after graduation
Study and Work Program	The program is aimed at attracting young employees from among full-time senior students. Students are hired by the Company and transferred to an individual training program	■ 16 program participants became employees of the Company
Scholarship programs	ALROSA supports promising students of in-demand technical and engineering specialties by granting them a scholarship, through internships and further employment	■ 91 participants
Profproby Project	Weekly interactive corporate events of a training and entertainment nature, monthly training sessions to develop soft skills, as well as meetings with the Company's management	■ 71 participants ■ The project covers the Mirny, Aikhal and Udachny production sites

Engagement initiatives with schools

NAME	DESCRIPTION	RESULTS FOR 2024
ProfiClub	A project for students in grades 8–9, which includes career guidance classes with ALROSA specialists in five areas in demand at the Company	■ 65 participants
My Choice (career guidance team game)	A team game for schoolchildren that encourages them to independently learn about the professions that are in high demand at the Company	■ 128 participants
ALROSA Class	Courses and lectures in relevant disciplines, as well as production tours, are organized for schoolchildren in grades 10–11	■ >240 schoolchildren were in 12 ALROSA classes
ALROSA Technomodule	Children's Technopark on the basis of the Center for Additional Education in Mirny where the participants receive training in innovative technologies	■ 24 schoolchildren developed and defended 14 projects
Career Guidance Month	A project from ALROSA Corporate University familiarizing secondary school students from Mirny, the Mirninsky District, the Republic of Sakha (Yakutia) and the Irkutsk Region with the best universities of the country in engineering fields	■ 446 participants

Creation of jobs in the regions of operations

GRI 14.9.1

One of the strategic priorities of the Company's HR policy is to ensure local employment. ALROSA attracts candidates from among the local population under the "Local Staff in Industry" program implemented under the agreement with the State Employment Committee of Yakutia. The project includes measures to create employment opportunities for those without jobs, particularly individuals from rural communities, thereby aiding the region's social and economic growth.

In 2024, ALROSA took the lead among regional businesses in recruiting local residents, hiring 6,600 individuals, which is over 40% of the workforce within the framework of the project of citizens permanently residing in the Republic of Sakha (Yakutia)[1].

ALROSA is implementing a project to train the unemployed in the Republic of Sakha (Yakutia). The Company is building educational programs based on business needs and applies an individual approach to training, taking into account the existing skills and qualifications of candidates and determining the optimal duration and schedule of training for filling the vacancies on time. The duration of the training program is typically five days, featuring a flexible structure where the theoretical components are conducted online, while the practical sessions occur at the participant's future job site. After the training, the participants take an exam, receive a certificate and get a job with the Company.

The Company contributes to improving the quality of life of the local population by creating jobs in the regions, including in Arctic uluses where indigenous small-numbered peoples live. In 2024, ALROSA Group employed 4,413 representatives of indigenous small-numbered peoples of the North making up 12% of the Company's total headcount.

The Company hires workers on a shift basis at some production locations, as the labor market does not provide enough personnel to satisfy production demands. ALROSA is committed to improving working conditions for such employees, and implemented the following measures in the reporting year:

- policies were enacted to secure the income of employees throughout their OHS training and all forms of internships;
- the amount of the daily shift allowance was increased;
- the Company improved the infrastructure for organizing meals in shift camps and launched a project to partially compensate employees for meal expenses;
- the Company aligned compensation levels for in-demand trades with the market.

302
people
FROM THE UNEMPLOYED POPULATION WERE TRAINED BY THE COMPANY IN 2024

183
of those trained
WERE HIRED BY ALROSA IN 2024

Personnel employed under the "Local Staff in Industry" program people



Share of representatives of indigenous peoples of North in the total headcount of ALROSA Group %



Remuneration and motivation

ALROSA maintains the commitment to equal pay, working to eliminate discrimination based on gender, age, and other individual characteristics of employees. The salary of employees is determined solely by their level of professionalism and performance.

In 2024, based on market research, the Company revised upwards the remuneration of employees of certain professions most in demand at ALROSA Group enterprises. In addition, a planned salary indexation for all personnel was performed in the reporting year, totaling 8.06%.

MED-24

In 2024, ALROSA's payroll fund[2] amounted to almost RUB 80 billion. ALROSA Group allocated more than RUB 21 billion as contributions to the state pension fund.

MED-26

Average monthly wages at ALROSA Group RUB thousand



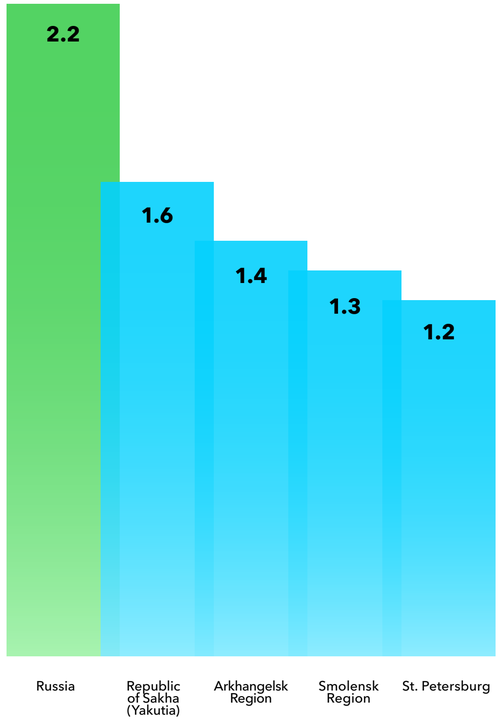
[1] For more information on the results of the implementation of the project "Local Stuff in Industry" for 2024, see the website of the State Committee of the Republic of Sakha (Yakutia) for employment. Available only in Russian.
[2] The payroll fund includes the salary fund (salary, bonuses and other payments) – 96.8% of the payroll fund, and compensation and incentive payments – 3.2% of the payroll fund.

The average wages level of the Company's employees in the majority of the regions of operations is higher than the regional average. The average wages in ALROSA Group in 2024 exceeded RUB 190 thousand per month per employee, a 10% increase versus the previous year.

The minimum wages of the Company's employees in the regions of operations also significantly exceed the regional minimum wages, regardless of gender.

GRI 202-1

Ratio of ALROSA Group's average monthly wages to the average monthly wages in some Russian regions



FINANCIAL MOTIVATION

ALROSA Group's incentive system includes various types of bonuses, compensation and incentive payments, regardless of the length of service, such as allowances for work in the Arctic Regions and other types of additional payments.

ALROSA pays bonuses for particularly important assignments[1] and projects. Project bonuses are determined upon the completion of a project and the attainment of established goals. For long-term projects, outcomes are evaluated on a yearly basis, and when the results are favorable, staff members are awarded a bonus for their efforts during that period.

NON-FINANCIAL MOTIVATION

In addition to financial motivation, ALROSA has a non-financial motivation system in place. Employees are recognized for their professional achievements and personal contribution to the Company's development. Professional excellence competitions and corporate competitions are regularly held at the production sites, where participants are awarded with certificates of gratitude and gift certificates.

The Company has a single approach to long-service awards. At the end of the reporting year, more than 2,500 employees had a service record of over 25 years and held the title of "Veteran of PJSC ALROSA" or "Veteran of the ALROSA Group". When awarded the title, the employee receives a cash bonus, which is paid for the next five years of work, as well as a certificate and badge, and a free voucher for medical treatment or recreation.

IDEA FACTORY

ALROSA runs the Idea Factory program that encourages employees to be involved in production processes and come up with ideas for their improvement. Ideas can be submitted both electronically and through special boxes installed at enterprises. The program proved to be effective, so it was extended to other ALROSA Group enterprises in the reporting year. The Company launched a web form to collect ideas in the Russian and Yakut languages. To improve employee engagement, special idea generation competitions were also held at some of the Company's subsidiaries.

In 2024, the Company updated its Regulations on the System "Idea Factory of PJSC ALROSA" to double the award for selected ideas (RUB 3,000 each). As part of the project, employees submitted more than 11,000 proposals relating to repairs and maintenance, core and auxiliary production, automation, digitalization, industrial safety, occupational safety, environment, and HR. The largest number (31%) of proposals concerned improving working conditions and safety. In 2024, more than 7,000 solutions were implemented.

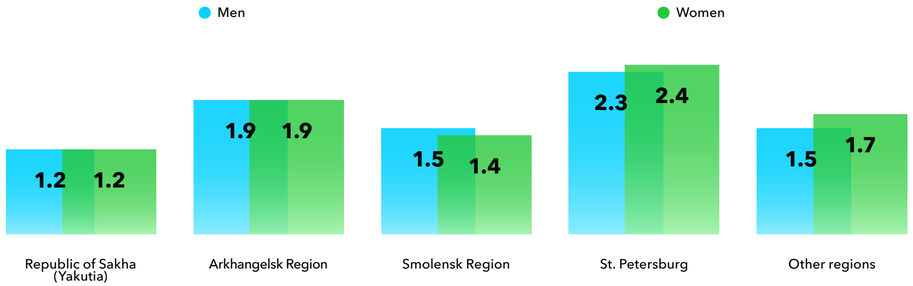
CORPORATE VOLUNTEERING

ALROSA employees take part in corporate volunteer programs. In 2024, the Company's volunteering team consisted of 200 volunteers.

Volunteers organize various corporate events, such as the "Khozaktiv" forum, the "Best in Profession" championship, the "People of ALROSA" forum, etc. They also support the following charitable campaigns: "Hot Hearts", "Victory Songs", "Generational Bridge", "Children's Day", and "Save Lives."

Before corporate events, ALROSA organizes networking, orientation and training sessions to introduce participants to each other and develop teamwork skills. In 2024, 10 such sessions involving volunteers and young professionals were conducted.

Standard entry-level wages at ALROSA Group versus the minimum wages in the regions[2] in 2024



RUB 511 million

WAS THE ECONOMIC EFFECT OF IMPLEMENTING BUSINESS PROCESS OPTIMIZATION IDEAS THROUGH THE DEVELOPMENT OF THE IDEA FACTORY PROGRAM IN 2024

[1] Particularly important assignments mean work outside the scope of the employee's job duties; employees perform additional work above the standard requirements at their own initiative. Applies to managers, specialists, administrative staff and workers.
[2] For the calculation, the minimum wage rate is used, taking into account the regulatory values of regional coefficients and the northern allowances, which are in effect in the respective divisions..



WHAT ALROSA IS PROUD OF

АЛРОСА.FORCE

The ALROSA Force achievement rating is aimed at identifying, developing and promoting young specialists, increasing their motivation and engagement, providing access to information on the opportunities, services and tools for career, professional, personal and social development.

Participants propose project ideas for implementation at the corporate level. Leaders of the rating receive a certificate for individual training programs aligned with the Company's key competencies.

>4.1k
participants
FROM AMONG YOUNG PROFESSIONALS, STUDENTS AND SCHOOLCHILDREN

ALROSA POWER

In 2024, the Company launched a non-financial motivation program for employees over 35 years old – the ALROSA Power achievement rating.

The rating covers four areas: professional development, intellectual development, social development and contribution to the development of society, sports achievements. The leaders get the opportunity to participate in an individual development program, and the top 12 participants are invited to a business breakfast with ALROSA Group's senior executives.

352
employees
REGISTERED ON THE RATING PLATFORM AT THE END OF 2024

The program featured a family-oriented outdoor sports gathering attended by 22 families from Mirny and Aikhal. A prominent event in the program was a series of games held as part of the corporate intellectual league, where 21 teams from three sites (Mirny, Aikhal and Udachny) competed.

Training and development

GRI 3-3 GRI 404-2

The Company has a comprehensive corporate training system covering all categories of employees and aimed at developing their professional skills and personal competencies. ALROSA is constantly improving training programs, updating them in accordance with business needs and current market trends. The ALROSA Corporate University is responsible for the development of the training system. It develops educational programs, organizes and conducts training for employees, both in accordance with the legal requirements and under programs for the development of personal competencies, assesses and certifies employees.

Training is available in various formats: individual, group, external, internal, off-the-job and on-the-job, online and face-to-face. The Company focuses significantly on enhancing its online training platform for employees, creating digital courses under various educational programs. 191 courses on the iSpring platform are available to employees, with 41 of them added in 2024.

To broaden student participation, the Skillometer educational platform was rolled out in 2024, enabling courses to be assigned to an infinite number of users. With the help of the new platform, more than 10 thousand employees were assigned training courses in 2024.

LEARNING AND DEVELOPMENT PROGRAMS

Professional training of workers

In the reporting year, ALROSA continued to improve programs to develop the functional and practical skills of its workers. One of the Company's priorities in this area was to enhance its portfolio of practical endeavors, which led to an increase in the availability of these programs at the Aikhal and Udachny industrial facilities.

Employee development programs

ALROSA has programs in place to develop management skills, share industry expertise and advance various in-demand competencies. For example, for several years the Company has been implementing a set of programs to develop management and leadership competencies for specialists and managers of various levels.

To preserve and convey the industry expertise built up over time, the Company is developing programs for internal trainers. The programs offer training for prospective trainers, guidance on strategies for designing and implementing training sessions, and support from business trainers after the training concludes. In the reporting year, program participants held 19% of all training activities.

GRI 404-2

Furthermore, the Company provides free retraining for employees who have been laid off due to a decline in demand for their current roles. The training is conducted by the Corporate University and is aimed at providing a new profession, developing relevant competencies and increasing the employee's competitiveness. This practice facilitates the retention of skilled individuals within the Company and aids them in securing future positions.

Formats of functional and practical skills training in 2024

FOREMEN SCHOOL

- Training program for a talent pool of production personnel, including workers, current foremen and their deputies. The participants receive relevant knowledge and practical skills for the foreman position, and undergo training in management practices.
- **24 EMPLOYEES** completed training under the program in 2024

USE OF MINE ELECTRICAL EQUIPMENT

- Module training of electrical personnel to work with mine electrical equipment at the Aikhal MPD. The practical part of the program is held in specialized classes simulating the production process, which are located on the territory of the Udachny underground mine.

DEMONSTRATION EXAMS

- To gain permission to work at elevated levels, employees participate in a public demonstration assessment in front of invited specialists from various departments. This format helps employees learn from each other's mistakes, gain practical knowledge more effectively, and receive expert advice.
- The scope of the training program is planned to be expanded in 2025

Management and leadership development programs in 2024

NAME	DESCRIPTION	NUMBER OF PARTICIPANTS
PRO Leaders updated in 2024	The program is aimed at developing the leadership competencies of senior managers. In 2024, it was expanded to cover aspects of not only individual, but also team leadership	69 people
ALROSA Assets	The program teaches effective business process building, instills a system and cost-focused mindset in line managers, project managers, and specialists, including foremen, experts, chief specialists, and heads of departments and sites. It is conducted in the form of business games and trainings	129 people
ALROSA Legacy	The program develops management skills and personal performance of mid-level managers: workshop managers and chief engineers. Employees practice management skills and work standards through various thematic trainings and the Market Leader business simulation game	158 people
ALROSA Potential	The program identifies talented young specialists, develops leadership competencies and stimulates scientific, technical, inventive and innovation activities. Participants undergo comprehensive training in management, finance, communication and production processes, and develop projects to address the Company's current business tasks	23 people



WHAT ALROSA IS PROUD OF

THE SUCCESSION TALENT POOL PROGRAM

The program to create a talent pool for key positions is aimed at ensuring the transparency of the career development system and increasing employee motivation. Candidates are evaluated based on their past successes and present competencies, guiding the HR committee in their decision-making. An individual development plan is created for employees in the talent pool.

The pilot launch of the program took place at 10 production sites. At the end of 2024, 140 employees were in the talent pool.

In addition, as part of the program, the Company is developing a succession system for top 25 management positions. In 2024, the first phase of the program was implemented in 16 divisions and subsidiaries of the Company. In 2025, this part of the program is planned to be scaled up by expanding the list of positions to cover the top 100 of them

.

START IN LIFE 2.0 PROGRAM

The Company runs the Start in Life 2.0 sectoral program that helps employees working on a rotational schedule to get vocational skills at a university without discontinuing their work. The goal of the project is to create a system of employer-sponsored education, training and retraining of specialists at industrial enterprises of the Republic of Sakha (Yakutia), to increase the percentage of local people having necessary vocational skills and holding highly paid positions at mining and geological facilities in Yakutia.

The project is implemented with the support of the Ministry of Industry and Geology of the Republic of Sakha (Yakutia) and the Ministry of Education and Science of the Republic of Sakha (Yakutia). The program participants include North-Eastern Federal University in Yakutsk, Irkutsk National Research Technical University, National Research Tomsk Polytechnic University, Siberian Federal University, secondary vocational education institutions of the Republic of Sakha (Yakutia) and the Russian Federation.

PROFESSIONAL EXCELLENCE CHAMPIONSHIP

Every year, ALROSA holds a corporate professional excellence championship "Best in Skills," aimed at promoting industrial specialties, increasing their prestige, demonstrating the best achievements and sharing experience among championship participants. Employees of structural divisions and subsidiaries take part in internal competitions in their divisions. Winners of internal competitions participate in the Company's championship. The championship is organized at various venues. In 2024, Mirny hosted the competition, which brought together over 100 employees of the Company's divisions and subsidiaries from various regions. Workers demonstrated theoretical knowledge and practical skills in 11 competencies in various areas of the Company's operations, including open-pit and underground mining, maintenance of electrical and other equipment, operation of mining equipment and vehicles, mineral processing and sorting of rough diamonds.

A business program is also organized for the participants of the championship, which includes trainings, discussions, business games, cultural and sports events, an excursion program, as well as business breakfasts with top managers, where employees in an informal setting can communicate with executives, ask questions and make their suggestions for improving the Company's operations.

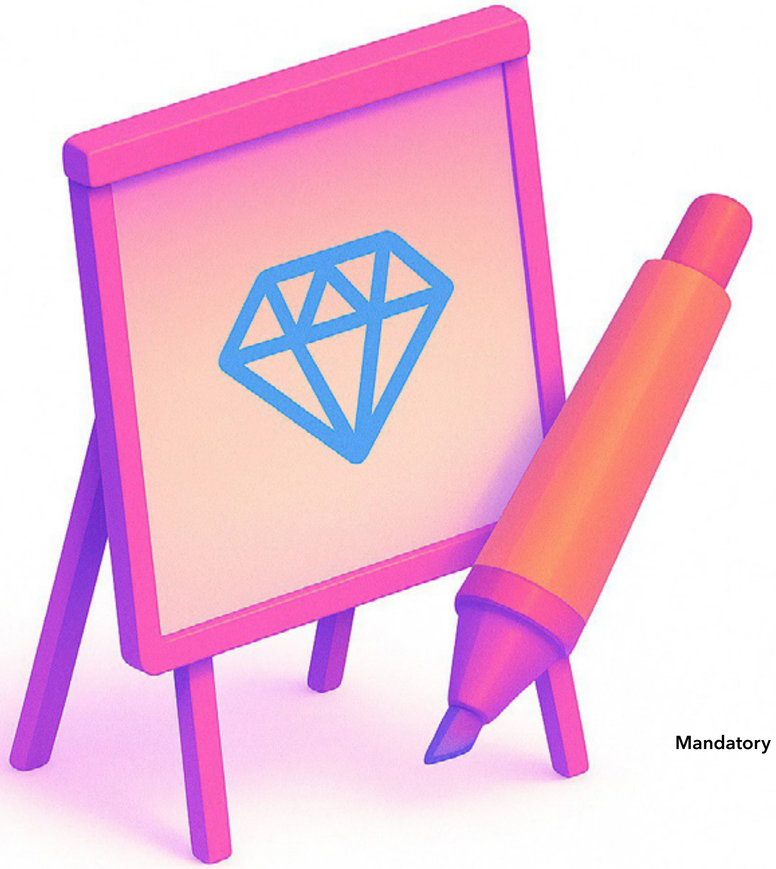
RESULTS OF EMPLOYEE TRAINING IN 2024

Over the reporting period, more than 25,000 ALROSA Group employees completed training programs, a 5% decrease versus 2023. 71% of the total headcount received training.

GRI 404-1 | MED-30 | MED-31

In 2024, the Company spent RUB 530 million on employee training, which is 5% more than in the previous period.

In 2024, the Company focused on transferring employees to internal training programs, so it was developing its own training courses to replace external programs. The number of internal training courses increased by 13% to reach 611.



43 hours

AVERAGE NUMBER OF HOURS OF TRAINING PER EMPLOYEE IN 2024

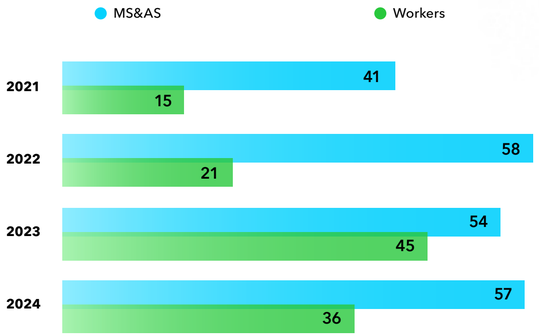
PERSONNEL ASSESSMENT

ALROSA assesses the performance of managers, specialists and administrative staff when selecting them for corporate personnel development programs and promoting to key positions. When assessing employees, the Company tests their abilities and interviews using the corporate competency model, which was updated in 2024. In addition, specialized models of competencies developed for employees of the corporate research institute and for production managers in MPDs were used for assessment in the reporting year.

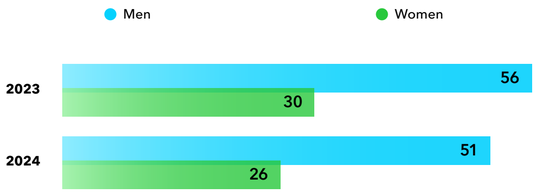
GRI 404-3

The Company also launched an annual assessment program for employees from the level of specialists to senior management, which is carried out using the 360 (180) degree method. [1] 537 employees of the management bodies in Moscow and Mirny took part in the pilot assessment.

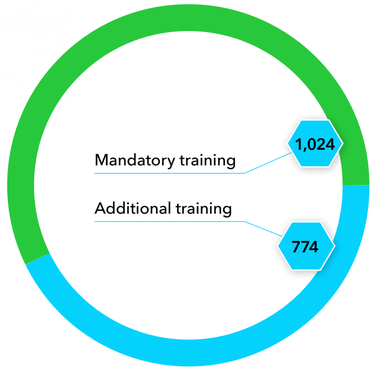
Average number of hours of training per employee at ALROSA Group by employee category [2]



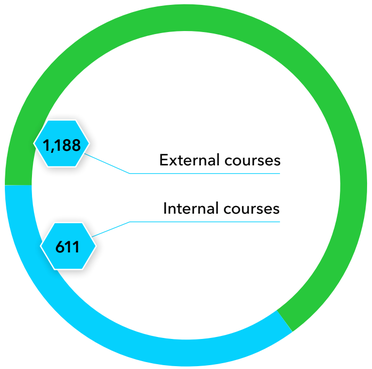
Average number of hours of training per employee at ALROSA Group by gender



Mandatory and additional courses in 2024 units



Internal and external courses in 2024 units



[1] The 360-degree assessment method is a way to assess an employee's performance by interviewing their managers, subordinates and colleagues. The 180-degree assessment method is a way to assess the results of work by interviewing the employee and his/her managers.
[2] The denominator uses the headcount at the end of the year. The average number of training hours per employee (per year) by gender is disclosed only for 2023 and 2024 due to the lack of accounting for the total number of training hours by gender in previous periods.

Social support and partnership

The Company implements corporate social programs aimed at improving the health of employees, supporting their cultural and sports life and improving housing conditions, which increases the level of well-being and loyalty of personnel. The Company's extended social benefits package includes benefits and compensations in excess of statutory requirements.

In 2024, ALROSA spent RUB 3.2 billion on social programs, up 11% compared to the previous period. This was due to an increase in the number of employees covered by social programs, a higher cost of insurance programs and health resort vouchers, as well as the gradual implementation of initiatives of the Cultural and Sports Center Development Strategy.

RUB 90.5 k

AVERAGE EXPENSES UNDER SOCIAL PROGRAMS PER EMPLOYEE

HEALTHCARE

GRI 403-6

To extend the professional lifespan of employees and boost their health, ALROSA adopts a range of measures to increase the availability of medical services, prevent diseases and organize wellness retreats. For example, the “Health” program is in effect for employees and their families, which includes additional medical insurance and express examinations. The program is implemented with the participation of the ALROSA Medical Center and in cooperation with leading medical and research institutions under additional medical insurance agreements.

In 2024, the program expenses rose by 33% due to an increase in the cost of insurance programs, additional funding for laboratory tests as part of additional medical insurance and the inclusion of checkups in additional medical insurance. In total, 89% of ALROSA employees were covered by the additional medical insurance program in 2024.

42.4 k people

WERE INSURED UNDER THE ADDITIONAL MEDICAL INSURANCE PROGRAM IN 2024

7.4 k people

USED THE HEALTH AND WELLNESS RESORT TREATMENT PROGRAM IN 2024

The Company implements and annually updates its 2026 Corporate Healthcare Development Strategy, which defines the key areas of work of the corporate Medical Center. As part of the Strategy in 2024, the Medical Center took steps to enhance healthcare facilities by adding more doctors and assistants, along with updating the medical equipment, and developed the Diamond Standard, which establishes equal conditions for medical care for all patients. The standard enables an employee to take tests, have an ECG, receive physical procedures and other services at all Company sites.

In addition, since 2023, the Medical Center, together with the Mirny Central District Hospital, has been conducting workplace visits to facilitate health checkups, making it more convenient and accessible for employees to undergo examinations.

Additionally, the Medical Center facilitates health and wellness treatment at its own facility “Gornyak.” Employees have the opportunity to access specialized medical and preventive care at discounted rates, along with over 30 various medical services available to them.

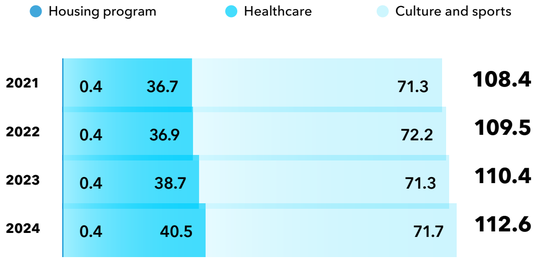
Together with the Profalmaz trade union, ALROSA implements the “Wellness and Recreation” program to prevent occupational diseases. As part of the program, employees, their family members and retirees have access to vouchers to local or non-local health resorts at a reduced price.

MED-28

Expenses related to social programs for employees RUB billion



Number of beneficiaries of social programs
thousand people



Expenses under the additional medical insurance program and expenses related to employee treatment in medical institutions RUB million



Expenses under health and wellness resort treatment and recreation programs RUB million



CULTURE AND SPORTS

ALROSA supports leisure activities and an active lifestyle of its employees and their families through the Culture and Sports program. The Culture and Sports Complex (CSC) that arranges the work of and coordinates sports clubs and creative groups is in charge of organizing relevant events. The Company has more than 20 sports and cultural facilities in its cities of operation.

The Company's unionized employees attend sports clubs and creative groups for free, while their children attend the same for RUB 100 per month. Preferential rates are also provided for retirees and veterans of the Mirninsky District.

In 2024, the Complex held more than 1.5 thousand sports, wellness and cultural events, spending RUB 351 million, a 5% increase versus the previous year. ALROSA Group's expenditures to maintain social infrastructure facilities, clubs and groups totaled RUB 1.6 billion.

RUB >1 billion

TOTAL EXPENSES UNDER EMPLOYEE HEALTHCARE PROGRAMS IN 2024, MAKING UP 6% OF THE COMPANY'S MANAGEMENT EXPENSES

HOUSING PROGRAM

To attract and retain skilled workers, the Company has established a housing initiative aimed at enhancing employees' living situations. The initiative facilitates the purchase of apartments, along with offering mortgage loans at reduced interest rates and providing partial reimbursement for the interest payments on these loans.

Employees in high-demand specialties – highly qualified workers and engineers – are eligible for such corporate support. Since 2024, the interest compensation has been also available to employees with five or more children and young professionals.

In 2024, the housing program expenses increased by 36% to almost RUB 63 million, accounting for 0.3% of management expenses. The growth was linked to the procurement of housing exceeding the target for sought-after professionals and a rise in costs related to interest compensation. The latter rose by 17% to over RUB 39 million, with a total of 414 people receiving the compensation.

PENSION PLAN

GRI 201-3

ALROSA has been implementing a corporate program of non-state pension support for employees for many years. Annually, it makes parity contributions to a non-state pension fund, with RUB 946 million allocated to the fund in 2024, accounting for 5% of the Company's management expenses.

Corporate pension plan expenses RUB million



WHAT ALROSA IS PROUD OF

EXPRESS EXAMINATIONS FOR EMPLOYEES

The ALROSA Medical Center offers complimentary health screenings for a range of diseases twice a year. The checkups are held in two stages: first, employees are diagnosed and tested on 48 parameters, and then they are sent for consultations with invited highly qualified specialists.

During the summer months, a broader range of screenings is available, while winter brings more specialized checkups, particularly targeting musculoskeletal conditions in 2024. Employees who are frequently ill or who have not been examined for a long time are primarily sent for screening.

In the reporting year, the program was expanded to include employees of subsidiaries and associates, as well as retirees of the Company. The geography of the program also expanded, with the Lensk division added to the list of sites including Mirny, Udachny and Aikhal.

The examinations made it possible to promptly identify some chronic, cardiovascular and oncological diseases in employees, including at early stages.

1.7k employees

WERE EXAMINED FOR FREE

LAUNCH OF THE HEALTHY LIVING TERRITORY PROJECT

In 2024, the ALROSA Medical Center launched The Healthy Living Territory project to encourage employees to lead a healthy lifestyle. As part of the project, a special app was created for the Company's employees, granting them access to:

- short lectures on various health topics;
- health schools with invited specialists;
- remote consultations with focused practitioners, including therapists;
- measurement of stress levels;
- competitions with a rating system and prizes, such as certificates for paid medical services.

Throughout the program's duration, participants enhanced their physical activity levels and began to regularly track their sugar, cholesterol, and blood pressure readings, with some even overcoming unhealthy habits like smoking.

>600 employees

TOOK PART IN THE PROJECT

NEXT STEPS

In 2024, ALROSA approved plans for the implementation of priority measures in the direction of human capital development.

Plans under the new Sustainability Programme up to 2029

	TARGET	PLANS UNDER THE PROGRAMME
P2 **Developing a team of professionals and creating an inclusive working environment**	Maintaining a staff turnover rate of no more than 9% annually	■ Developing and scaling up the succession system ■ Implementing projects to develop the HR brand and the employee onboarding system
	Ensuring that women account for a minimum of 30% of the entire staff each year, and that at least 25% of those in management are women	■ Continuing to promote working professions among women
	Keeping the representation of indigenous peoples in the total staff at no less than 13% on an annual basis	■ Supporting employment and creating jobs in the uluses where the indigenous small-numbered live
	Keeping the level of employee engagement and satisfaction at no less than 70%	■ Proceeding with the assessment of the level of employee engagement and satisfaction as part of the ALROSA Voice project and implementing the planned improvement measures
	Increasing funding for social support programs for employees, their family members, young employees and retired employees on an annual basis	■ Continued implementation of corporate social programs, increased employee coverage
P2 **Development of occupational skills and employee training**	Achieving a share of employees trained (mandatory and additional programs) of at least 90% of the total headcount by 2030 (with an annual increase in the indicator)	■ Expanding the functionality of the Electronic Passport HR service in terms of employee training management ■ Developing hybrid training formats to increase employee coverage ■ Continuing to implement corporate training programs
	Achieving at least 50 hours of training on average per employee per year by 2030	■ Developing internal trainings based on the Corporate University and developing the internal trainer framework ■ Expanding the range of e-courses

OCCUPATIONAL HEALTH AND SAFETY

80 Approach to occupational health and safety management
83 Prevention of occupational injuries
87 Health protection and prevention of occupational diseases
88 Prevention of emergencies
89 Next steps



2024 HIGHLIGHTS

THE OCCUPATIONAL HEALTH AND SAFETY (OHS) MANAGEMENT SYSTEM OF PJSC ALROSA WAS CERTIFIED FOR COMPLIANCE WITH GOST R ISO 45001-2020

THE CENTER FOR MONITORING SAFE OPERATION OF VEHICLES WAS ORGANIZED

THE REGULATIONS ON ISOLATION AND CONTROL OF HAZARDOUS ENERGY (LOCKOUT/TAGOUT (LOTO)) WERE APPROVED, STANDS AND EQUIPMENT FOR ORGANIZING THE PROCESS AT THE COMPANY'S PROCESSING PLANTS WERE PURCHASED AND INSTALLED

TRAINING ON USING THE LOTO SYSTEM WAS PROVIDED TO EMPLOYEES OF PROCESSING PLANTS BASED ON THE PROPRIETARY TRAINING COURSE

THE PROCEDURE FOR ORGANIZING THE PROCESS OF EXPERT REVIEW OF THE INDUSTRIAL SAFETY OF TECHNICAL DEVICES WAS APPROVED

Progress under the 2021–2025 ALROSA Group Sustainability Programme[1]

	TARGET	PROGRESS FOR 2024	PROGRESS SINCE THE PROGRAMME LAUNCH	
HS1 **Eliminating fatalities and accidents**	Ensure zero fatalities among employees of ALROSA Group and employees of contractors	**2** fatalities among employees and contractors	The target remains relevant for ALROSA and is included in the updated Sustainability Programme	
	Ensure zero accidents and emergencies at ALROSA Group's production facilities	**0** accidents and emergencies	The target remains relevant for ALROSA and is included in the updated Sustainability Programme	
HS2 **Reducing LTIFR**	Reduce LTIFR to 0.16 by 2025 (or 10% annually starting from 2022) for ALROSA Group	**0.24** for ALROSA Group (+20% vs 2023) **0.33** for the Diamond Mining and Processing Operations (+60% vs 2023)	The target remains relevant for ALROSA and is included in the updated Sustainability Programme	
HS3 **Improving the OHS management system**	Certification of PJSC ALROSA and its subsidiaries in the Diamond Mining and Processing Operations for compliance with ISO 45001 by year-end 2024	Successful certification of enterprises in accordance with GOST R ISO 45001-2020	100% of 11 structural divisions of PJSC ALROSA were certified for compliance with GOST R ISO 45001-2020 in 2024 as planned	
HS4 **Ensuring road transport safety**	Achieve a traffic accident rate not exceeding 0.5 by 2025 for ALROSA Group	**0.91** for ALROSA Group (+21% vs 2023) **0.80** for the Diamond Mining and Processing Operations (+33% vs 2023)	The target remains relevant for ALROSA and is included in the updated Sustainability Programme	
HS5 **Reducing occupational disease rate**	Ensure an annual decrease in occupational hazards to employees that affect the occupational disease rate	Lower levels of occupational hazards at workplaces due to the introduction of modern equipment and upgraded PPE models	Lower class of working conditions for a number of professions throughout the entire term of the Programme	
HS6 **Ensuring contractors' compliance with ALROSA OHS requirements**	Adopt the corporate standard/regulation on interaction with contractors at the enterprises of ALROSA Group "General requirements on organizing safe work by third-party contractors"	Supplemented with procedures for preliminary selection and analysis of counterparties for compliance with requirements on OHS, mandatory and additional OHS qualifications, preparation and permit to work	The standard was improved as part of the planned activities	
	Ensure that 100% of ALROSA Group's contractors are aware of ALROSA's occupational health and safety requirements when they enter into contracts	The requirements are included in contracting agreements and published on the official website of ALROSA Group	Contractors were familiarized with the OHS requirements of ALROSA Group as part of the contract conclusion and through posting documents on the official website	
	Perform regular assessment of contractors' compliance with ALROSA's OHS standards and requirements	A mechanism has been introduced for regular assessment of contractors' compliance with ALROSA's OHS standards and requirements	A detailed list of requirements and the performance assessment mechanism are included in the Standard on Interaction with Contractors for Compliance with Health and Safety Requirements of PJSC ALROSA	



[1] The targets cover the Diamond Mining and Processing Operations



Why is it important to ALROSA?

The Company consistently increases the level of occupational health, industrial and fire safety, as well as road safety during production. An important area of ALROSA's work is the involvement of managers of all levels in OHS issues and the organization of safe work of employees and all individuals located on the territory of enterprises.

MATERIAL TOPICS

- Occupational health and safety
- Decent working conditions

REGULATORY DOCUMENTS

Internal

- Occupational Health and Safety Policy
- Regulations on the Health and Safety Management System
- Regulations on the Occupational Safety Management System
- Fundamental Safety Rules[1]
- Measures to Improve Occupational Safety in 2024–2025

External

- GOST R ISO 45001-2020 "Occupational Health and Safety Management Systems. Requirements with Guidance for Use"
- Labor Code of the Russian Federation
- Federal Law No. 116-FZ of 21 July 1997 "On Industrial Safety at Hazardous Production Facilities"

METHODOLOGICAL RECOMMENDATIONS

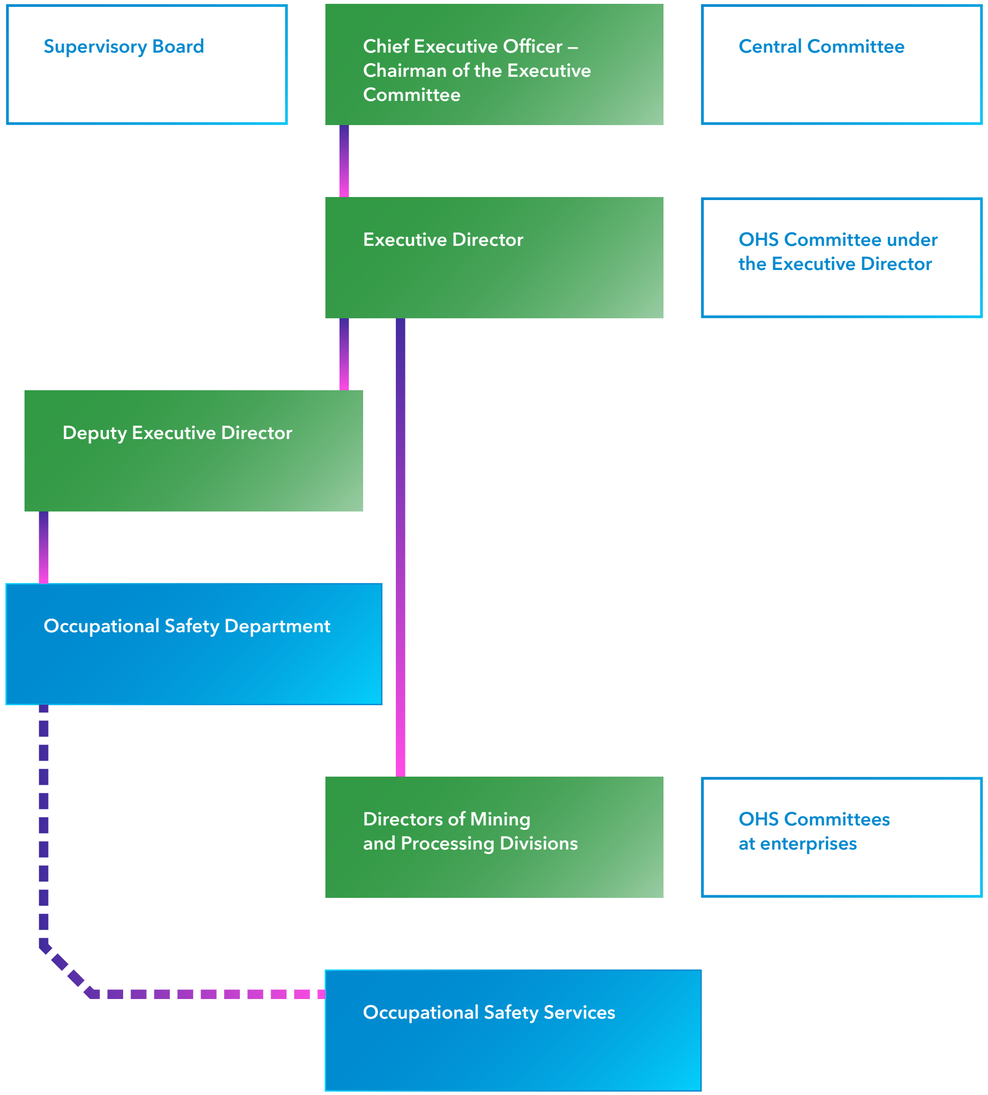
UN Global Compact Principle

2

[1] This document is only available in Russian.

ALLOCATION OF RESPONSIBILITY

GRI 403-1 GRI 403-4 GRI 14.16.2 GRI 14.16.5



Responsibilities of management bodies

BODY	RESPONSIBILITY
Supervisory Board	■ Determination of principles and approaches to organizing of OHS management system
Chief Executive Officer – Chairman of the Executive Committee	■ Approval of the Company's key OHS documents ■ Ensuring the functioning of OHS management system
Deputy Executive Director	■ Integration of OHS management systems with production processes and stable system operation
OHS Committee under CEO (Central Committee)	■ Approval of current and future plans for the development of OHS management systems ■ Consideration and approval of corporate OHS standards and measures to improve OHS management systems ■ Review and analysis of injuries, accidents and incidents ■ Review of violations of OHS laws that led to a negative event or had a significant risk of its occurrence ■ Analysis of the structural divisions reports on progress in implementing the measures for improving the safety level ■ Setting occupational safety tasks for heads of the structural divisions
OHS Committee under the Executive Director	■ Improving the organization of OHS training and information sharing ■ Consideration of proposals on improving the working conditions ■ Assistance in resolving issues related to the financing of measures aimed at preventing injuries and occupational diseases, as well as the control over spent funds ■ Review of proposals on introduction of more advanced production technologies, new equipment and automation tools ■ Preparation of proposals on the development of internal regulations
Occupational Safety Department	■ Ensuring the functioning of OHS management systems and reducing the risk of emergencies, incidents, accidents, fires, road traffic accidents at production facilities of the Company's structural subdivisions and subsidiaries ■ Organization and control of compliance with OHS and road traffic safety requirements ■ Organization of work to ensure that employees comply with the requirements of OHS, fire safety, civil defense and emergency measures, and road traffic safety ■ Continuous improvement of the occupational safety management system ■ Methodological support for the development and implementation of training programs within the areas of the Department's activities
OHS committees at enterprises	■ Resolution of operational occupational health and safety issues related to the day-to-day operations of the enterprise ■ Analysis of statistical data on injuries and illnesses at the enterprise, data on violations of law ■ Delegation of OHS tasks to heads of functions and workshops
Production control units	■ Under the Occupational Safety Department: comprehensive inspections at major structural divisions on a quarterly basis ■ In structural divisions: weekly intrashop audits

Approach to occupational health and safety management

GRI 3-3 GRI 403-1 GRI 403-8 GRI 14.16.1 GRI 14.16.2 GRI 14.16.9

ALROSA follows a proactive and structured approach to OHS management, focusing on continuous improvement of corporate management systems. Health and safety issues cover each business process and all operations at each production facility.

The Company's occupational health and safety management system is aimed at achieving zero accidents, emergencies, incidents and injuries at work. The requirements of the system are mandatory for all employees of ALROSA Group and are implemented in all production processes of the Company without exception.

The Company develops internal OHS documents in accordance with best international practices and requirements of Russian laws, including GOST R ISO 45001:2020. In 2024, PJSC ALROSA's OHS management system successfully passed an external certification audit and received a certificate of compliance with this standard.

The Occupational Health and Safety Policy is the key document that stipulates OHS requirements. To regulate the procedures necessary to implement the Policy, ALROSA develops and updates corporate documents. In 2024, the Company updated the following documents:

- Fundamental Safety Rules [1];
- Standard on the organization and safe conduct of hot work [2];
- Regulations on isolation and control of hazardous energy (lockout/tagout (LOTO)) with a training course;
- Standard on providing employees with workwear and personal protective equipment (PPE);
- Regulations on training for Company employees in OHS, fire and industrial safety, civil defense and protection from natural and man-made emergencies;
- Regulations on the organization of the process of expert review of the industrial safety of technical devices.

When introducing new corporate documents, the Company develops presentation materials and conducts training for employees on their practical application. This reduces the time spent on testing them and makes it possible to adjust certain provisions taking into account employees' questions and comments.

ALROSA takes a comprehensive approach to internal audits to monitor the effectiveness of the OHS management system. Such audits are performed by certified auditors from among the Company employees, the Internal Audit Department, as well as heads of structural divisions and line managers as part of three-level control. If inconsistencies are identified, the Company develops corrective measures that are ranked by levels and approved by the heads of enterprises.

In 2024, ALROSA improved the procedure for conducting a quarterly comprehensive OHS performance assessment of structural divisions and subsidiaries, aimed at involving not only OHS specialists, but also managers and specialists of production assets.

EMPLOYEE PARTICIPATION IN OHS MANAGEMENT

GRI 3-3 GRI 403-4 GRI 14.16.1 GRI 14.16.5

Safety is based on the active participation of all employees without exception. To maintain their involvement in OHS issues, the Company created a Panel of Authorized Experts for Occupational Health and Safety. It is part of the Profalmaz trade union and performs public control over the functioning of the OHS management system: checks compliance with occupational safety requirements, sends its representatives to participate in the investigation of accidents and occupational diseases, and participates in a special assessment of working conditions. In 2024, the number of authorized experts was 225 people. They conducted more than 1,600 OHS inspections, which is a third more than in 2023. The results of these audits revealed 2,060 concerns and violations, about 97% of them were eliminated. In 2024, 71 authorized OHS experts received bonuses for a total amount of more than RUB 1 million for active work.

OHS leadership development

The active position of employees in safety matters is important for ALROSA. Heads of divisions are actively working to check working conditions and take measures to eliminate the identified violations. Their tasks include informing employees of the presence of harmful or hazardous production factors at the workplace and the guarantees and compensation stipulated for work in harmful (hazardous) working conditions. In addition, heads of structural divisions monitor the timeliness of providing employees with protective equipment, participate in the work of joint OHS committees, and take part in the development of measures to prevent injuries, accidents and occupational diseases.

ALROSA has a safety-related incentive system: a higher bonus rate applies for performing planned measures, taking timely training and certification, as well as implementing pilot projects. Analysis of 2024 results showed the need to supplement KPIs with proactive indicators, such as timely development of a training matrix and planning of measures to improve working conditions as part of the annual budgeting process.

Workplace safety advice and information

The Company's employees can contact the OHS Committee, heads of various divisions of all levels, and representatives of the trade union with questions and proposals related to occupational safety. ALROSA has a system of informing employees through internal corporate resources and social networks. The Company regularly notifies employees of the results of investigations of accidents, emergencies, incidents, audits and inspections.

Reporting violations

ALROSA employees, representatives of external stakeholders, as well as contractors' employees can contact a single hot line to report a violation, ask a question or make suggestions related to occupational safety. Information on types of feedback is also posted on stands in divisions. Violations can be reported by telephone or e-mail, as well as using a QR code. Optionally, reports can be anonymous.

In the reporting year, the majority of employee reports concerned PPE provision. As a result of the inspections, measures were taken to fully provide employees with PPE and replace PPE if its poor-quality was detected. Employees responsible for OHS check the accuracy of the information and provide feedback on each report. An independent service under ALROSA's management monitors incoming information and provides feedback.

[1] This document is only available in Russian.
[2] This document is only available in Russian.

CONTRACTOR AND SUPPLIER SAFETY MANAGEMENT

GRI 3-3 GRI 403-1 GRI 403-7 GRI 14.16.1 GRI 14.16.2 GRI 14.16.8

When selecting a contractor, one of the key criteria is compliance with the OHS rules set out in the Standard on Interaction with Contractors for Compliance with Health and Safety Requirements. The Standard defines a uniform procedure for OHS-related interaction with contractors when performing work, requirements on competencies and training of contractors, including training on relevant work, availability of industrial safety certification and PPE provision.

In 2024, ALROSA adjusted its approach to interaction with contractors. To increase the transparency of the Company's requirements for contractors, ALROSA focused its attention on quality preparation of the terms of reference, analyzed data on contractors, as a result of which it adjusted the terms of concluding contracts, including the revision of penalties for violating OHS requirements. The standard contract with a contractor was supplemented with a link to the Company's external portal, where the main OHS standards were published.

Before issuing a work permit to contractors, the Company holds an induction meeting with them with the participation of the OHS department and the management of the relevant structural division. Participants discuss the list of planned works, the main requirements for their safe performance and the necessary documents and permits.

ALROSA also takes measures with regard to supplier safety. It includes online and offline audits to verify suppliers' compliance with declared product quality requirements, availability of sufficient capacities and compliance with safety requirements. Thus, in 2024, on-site audits of workwear fabric manufacturers in China, factories manufacturing workwear in Russia, a factory manufacturing special footwear in Russia, and an online audit of printed materials production took place. Monitoring supplier organizations allowed ALROSA to promptly identify violations of the technological process and OHS requirements at the factory manufacturing special footwear and decide to terminate interaction with it.

17.6 k
employees
OF ALROSA GROUP RECEIVED OHS TRAINING IN 2024



TRAINING AND DEVELOPMENT OF A SAFETY CULTURE

GRI 403-5 GRI 14.16.6

The Company provides mandatory OHS training that helps employees acquire necessary workplace safety knowledge and skills. The training program is aimed at creating professional safety competencies, ensuring the protection of the life and health of employees and full compliance with regulatory requirements. The program factors in the specifics of production processes and the organizational structure of ALROSA enterprises. This training approach helps create safe working conditions and effectively prevent production risks. This process is governed by the Regulations on training in OHS, fire and industrial safety, civil defense and protection from natural and man-made emergencies. The frequency of training is determined by legal requirements, e.g., it is mandatory to conduct OHS training once every three years.

ALROSA pays special attention to the development of its corporate safety culture, which is impossible without timely and high-quality training and improvement of employee competencies. In 2024, the Company organized training for managers and specialists of PJSC ALROSA under the Safety Culture program to develop a proactive attitude to occupational safety issues and provide practical tools to effectively influence the safety of production processes. 320 employees of the Company received training under this program. Internal trainers who will train ALROSA employees in the future also completed specialized training courses.

The Company performs Behavioral Safety Audits (BSA) at workplaces, during which employees' actions during work are assessed. To effectively use this tool, in 2024 ALROSA conducted training under the Behavioral Safety Audits Program for the Company's top management, heads of production divisions, engineering and technical employees and OHS specialists with the involvement of an external provider. More than 500 ALROSA employees received training under this program.

All employees and contractors undergo statutory briefings. The Corporate University develops its own training programs in various areas and provides OHS training and knowledge testing for the Company's employees. In addition, practical classes are held on the development of safe methods and techniques for performing work, the use of PPE, and the provision of first aid to the injured at work.

Upon completion of any type of OHS training, the acquired knowledge is tested and the testing results are documented. The Corporate University organizes industrial safety certification of employees of ALROSA and its contractors in accordance with the Resolution of the Government of the Russian Federation "On Certification in Industrial Safety, Safety of Hydraulic Structures, and Electrical Safety"[1]. Certification by the Company's certification commission is organized on Rostechnadzor's Unified Testing Portal on the basis of the Corporate University.

The adequacy, timeliness and quality of training are controlled using an electronic platform, where a list of necessary courses and training sessions for each employee is created. Using the platform, employees undergo online training and testing to assess the results. As part of OHS training, ALROSA applies the principle of modular training. The program also includes a module on professional risk management.

Occupational health, industrial and fire safety training

TYPE OF TRAINING	FORMAT	DESCRIPTION
OHS training in accordance with the Procedure for OHS Training and Assessing Knowledge of OHS Requirements [2]	Online, online and in-person, in-person	The training is provided at the Corporate University and includes such programs as First Aid to Injured Persons and Use of Personal Protective Equipment. Special classrooms have been equipped for in-person training, and robotic simulators have been purchased to practice first aid skills
Professional development in certain areas	In-person, online, online and in-person	The training is provided in the following areas: ■ industrial safety ■ safety of hydraulic structures ■ electrical safety ■ fire safety ■ civil defense and emergency protection
Special-purpose courses on the application of the Company's internal regulatory documents by employees	In-person, online, online and in-person	The training is provided at the request of the Occupational Safety Department. In 2024, the following special-purpose courses were developed: ■ Fundamental Safety Rules for Employees of PJSC ALROSA: 3,417 people received training under the program ■ Fundamental Safety Rules for Employees of Subsidiaries and Associates: 89 people completed the course ■ Safe Mining Operations in Rock Masses Prone to Gas-Dynamic Phenomena at the Udachny Underground Mine: 42 people completed the course ■ Operation of Automatic Fire Fighting Systems at the Enterprises of the Mirny and Nyurba MPD: 173 people completed the course

WHAT ALROSA IS PROUD OF

STRATEGIC SESSION ON OCCUPATIONAL SAFETY

ALROSA held a two-day strategic session on occupational safety under the supervision of the Company's Executive Director. The session was attended by heads of all levels and functional divisions and representatives of the OHS function. Before the strategic session, the most problematic occupational safety issues were identified and resolved by the participants together. Based on the results of the session, ALROSA formed new approaches to the structure of the OHS function, assigned OHS specialists to the workshops of the main production facilities, revised the regulations on production control and the procedure for conducting three-level control to more effectively plan the work of specialists directly on site.



[1] Resolution of the Government of the Russian Federation No. 13 dated 13 January 2023 (as amended on 21 October 2024) "On Certification in Industrial Safety, Safety of Hydraulic Structures, and Electrical Safety" (together with the "Regulations on Certification in Industrial Safety, Safety of Hydraulic Structures, and Electrical Safety").
[2] Approved by Resolution of the Government of the Russian Federation No. 2464 dated 24 December 2021.

Prevention of occupational injuries

HAZARD IDENTIFICATION AND RISK ASSESSMENT

ALROSA regularly performs a set of measures to assess and manage professional risks in accordance with the current Professional Risk Management Standard. All existing risks have been identified at each workplace, registers of risks at workplaces as well as technical and organizational measures to manage them have been developed.

In 2024, ALROSA revised the Regulations on the Organization and Implementation of Production Control over Compliance with Industrial Safety Requirements and the Procedure for the Organization and Implementation of Three-Level Control over the State of Production Safety. The Company made changes to the levels of control, determined the area of responsibility and functions for each category of employees, as well as the procedure and clear frequency of inspections. Moreover, to improve its performance, the Company simplified administrative procedures, developed a single electronic log of violations, thus introducing paperless document management, and launched an analytical platform to monitor relevant indicators.

ALROSA involves all employees of enterprises in the risk management process. The general OHS training program for employees and corporate programs developed by ALROSA Corporate University, cover such topics as correct hazards identification and risks assessment at the workplace, as well as measures to be taken.

Managers of various levels of management and OHS specialists conduct stop hours for employees of enterprises, in particular, in the reporting year the stop hours were held on the topics “Danger of injury due to rock debris falling from the roof or wall of a working” and “Safety requirements when performing work on the maintenance/repair of conveyors”. During the stop hours, special attention was paid to critical risks that should be considered at all stages of work, as well as safety barriers.

ALROSA appreciates employees’ commitment to OHS rules and encourages refusal to perform work that may lead to an injury or deterioration of health. Analysis of such cases helps to take corrective measures on time and prevent the recurrence of such situations. The Company guarantees that if an employee exercises the right to refuse work that may carry risks of injury, no sanctions will be applied to the employee.

The Company implements projects to improve the safety of various types of work and introduces digital OHS management tools. This makes it possible not only to increase the efficiency of processes, but also to reduce safety risks.

WHAT ALROSA IS PROUD OF

GRI 403-2 GRI 14.16.3

ARMA CRITICAL RISK MANAGEMENT SYSTEM

In the reporting year, ALROSA implemented the ARMA critical risk management system – production control based on electronic checklists. The Internationalny mine was one of the first sites. Using the ARMA mobile service installed on intrinsically safe smartphones, before the start of the work order, mining foremen inspect the workplace with a photographic recording of the availability and functional capacity of existing technical and organizational barriers.

All information received, including identified violations, is sent to the unified ARMA web-based service system, which makes it possible to identify hazards in a timely manner, assess existing critical industrial safety risks, ensure safe working conditions, preserve the life and health of ALROSA employees and contractors, reduce the number of accidents, incidents and other similar events at production facilities, as well as the number of serious and fatal accidents.

VISUALIZATION OF THE MAIN RISKS

To additionally inform employees, ALROSA provides them with wall calendars with information on the main risks.



ALROSA'S SAFETY IMPROVEMENT PROJECTS

IT project Work Permit System

A pilot project was implemented to digitalize the issue of work permits for the performance of work at the Udachny MPD. This increases the speed and quality of preparing documentation for high-risk work

Digitalization of the production control system

A pilot project was implemented to use the Production Control automated information system in the specialized repair workshop at the Udachny MPD. The system makes it possible to perform production control remotely

Implementation of the LOTO system

Approval of the Regulations on isolation and control of hazardous energy (lockout/tagout (LOTO)). A training course was developed and delivered for employees, necessary equipment for processing plants was purchased

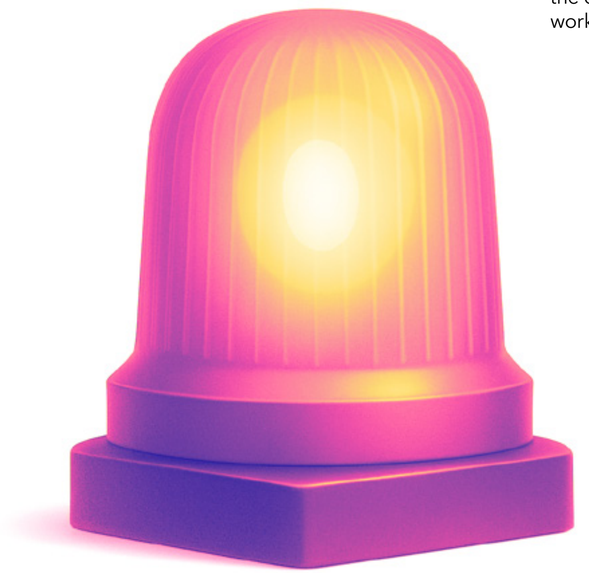
Development of the PPE provision system

PPE outsourcing was implemented in the Udachny MPD and the Aikhal MPD. Technical conditions were developed for sewing special Hi-Vis workwear. Standards for clothes and PPE provision were developed and approved. This will make it possible to improve the protective properties of PPE and improve the comfort of using it. Testing of new workwear samples is scheduled for 2025

Driver condition and traffic situation monitoring system

Special equipment installed on trucks and special-purpose vehicles records drivers' violations of traffic safety requirements and sends information to the analytical center. The system makes it possible to identify recurring violations and develop corrective measures.

As part of the project, 800 on-board kits were installed at the Company's five sites. The system was put into commercial operation. In 2024, the Center for Monitoring Safe Operation of Vehicles was launched. Its specialists record identified violations, prepare documents necessary to bring drivers to disciplinary responsibility, and inform responsible officials so that they can take measures to prevent accidents.

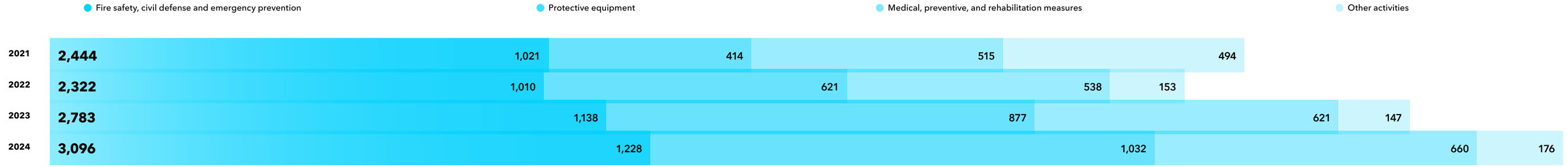


MED-27

ALROSA SPENT more than RUB 3 billion ON OHS MEASURES IN 2024, WHICH IS 11% MORE THAN IN 2023. EXPENSES PER EMPLOYEE AVERAGED MORE THAN RUB 88,000

MED-10

ALROSA Group's occupational health and safety expenses RUB million



OCCUPATIONAL INJURIES

GRI 403-2 GRI 403-9 GRI 14.16.3 GRI 14.16.10

In 2024, 73 employees of the Company and five employees of contractors were injured as a result of occupational accidents [1], while the number of fatalities was two. In the reporting year, ALROSA began to keep a full record of cases of microtraumas [2]. In total, 48 microtraumas were recorded in 2024.

When an employee is injured, ALROSA conducts an investigation to identify the root causes of the incident and develops measures to prevent such a situation in the future. In the reporting period, the Company developed the standard "Notification, Registration and Internal Investigation of Incidents Related to OHS, Road Traffic Safety and Fire Safety", which establishes the procedure for conducting internal investigations. As part of the implementation of the standard, ALROSA trained 280 employees – members of commissions investigating incidents – on the basic principles of their investigation, identification of root causes, as well as the development of qualitative measures that help eliminate the causes of incidents.

As one of the measures to improve ALROSA's production safety in 2024–2025, the Occupational Safety Department developed an incident classifier to:

- identify root and systemic causes of incidents more effectively;
- improve the quality of factor analysis and developed corrective measures;
- minimize the risk of repeated incidents.

To ensure transparency of investigations, the Company has an internal incident investigation module available on a special portal. Here, employees responsible for OHS register information on incidents, report on the procedure for investigations and post the relevant documentation.

The Lost Time Injury Rate (LTIFR [3]) among ALROSA Group employees in 2024 grew by 20% vs 2023 and amounted to 0.24. It fell by 9% to 0.46 among contractors' employees. In 2024, the Total Recordable Injury Frequency Rate (TRIFR [4]) was 0.39 among the Company's employees and 0.46 among contractors.

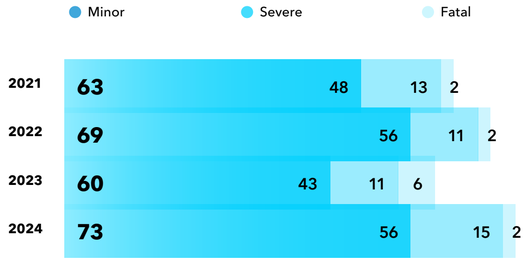
Fatal and severe injuries in 2024 were caused by road accidents, falling rock debris, extreme temperatures, falls from different height levels and pipeline compensator rupture. Based on the results of the investigation, the reasons for such cases were: improper organization of work and violation of safety requirements at work. The Company investigated each accident and developed corrective measures to improve the safety of equipment operation and reduce accident risks. ALROSA provided social support to those injured and to the families of dead employees.

The increase in the indicator of severe injuries in 2024 is due to the shortcomings in the system of analyzing incidents, identified hazardous actions and conditions, the system of accounting for risks and hazards for various types of work when issuing work assignments and work permits, late response and late measures to prevent accidents. Cases of misrepresentation of information on incidents were also recorded.

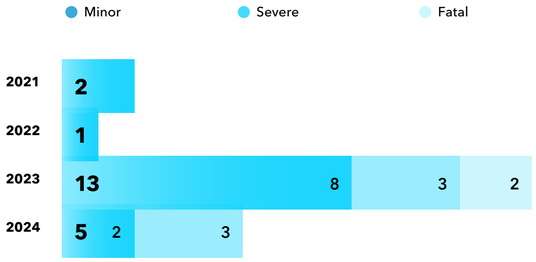
A group accident with serious consequences occurred at the Aikhal MPD involving employees of a contractor during hot work. Two contractors received thermal burns due to the ignition of gasoline vapors caused by a malfunction of metal cutting equipment. The reasons include the performance of work by employees with insufficient qualifications, as well as the lack of control by responsible officers over the performance of work. ALROSA conducted inspections of contractors performing work at the Companys' hazardous production facilities, organized unscheduled certification of industrial safety officers and updated the standard for interaction with contractors.

GRI 403-9 GRI 14.16.10 MED-29

Number of people injured in accidents for ALROSA Group and contractors people



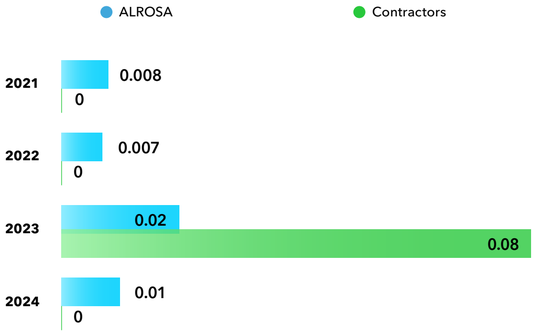
Number of people injured in accidents for contractors people



LTIFR for ALROSA Group



FIFR [5] for ALROSA Group



[1] According to the classification of Russian legislation, accidents include lost time and fatal injuries.
[2] Non-lost time injuries. For the purposes of this Report, microtraumas mean microinjuries that require first aid and/or medical attention.
[3] Lost Time Injury Frequency Rate (LTIFR) = number of lost time injuries, including fatal injuries/number of man-hours worked × 200,000 man-hours. Data on the number of injuries are given in accordance with the fact that they occurred in the reporting period (including those cases for which investigations have not yet been completed as of 2024.
[4] Total Recordable Injury Frequency Rate (TRIFR) = number of registered occupational injuries: number of lost time injuries, including fatal injuries, and number of microtraumas) * 200,000/number of man-hours worked.
[5] Fatal Incident Frequency Rate (FIFR) = number of fatal injuries/number of man-hours worked × 200,000 man-hours.

Vehicle accidents

In 2024, ALROSA Group's comprehensive program to ensure road safety, prevent road accidents and reduce the risk of traffic accidents for 2024–2025 was approved. The program is aimed at achieving the following key objectives:

- road accident reduction;
- improved quality of accident investigation;
- determination of systemic causes of accidents;
- control over the implementation of corrective measures;
- implementation of effective road safety tools.

320 drivers of the Company

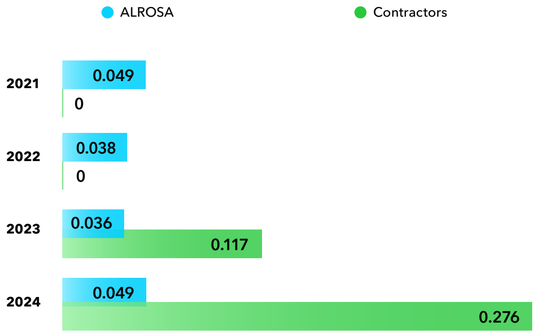
COMPLETED THE DEFENSIVE DRIVING TRAINING COURSE RUN BY EXTERNAL AND INTERNAL TRAINERS IN THE REPORTING YEAR



In the reporting year, 320 drivers of the Company completed the Defensive Driving training course run by external and internal trainers.

The increase in the Vehicle Accident Rate (VAR) across ALROSA Group by 24% in 2024 compared to 2023 was due to the Company's revised approach to the classification of traffic accidents. In the incident classifier updated in the reporting period, all traffic accidents were reclassified from Other Accidents to Road Traffic Accidents. The growth in the indicator was also caused by a larger percentage of rotational workers in the total number of the Company's drivers as such workers do not have sufficient experience of working in difficult road and meteorological conditions of the Arctic North. 67% of the road traffic accidents at the Company's facilities in 2024 were caused by rotational workers (against 36% in 2023).

Severe injury rate [1] for ALROSA Group



Causes of severe and fatal injuries among ALROSA Group employees and contractors in 2024 people



VAR [2] for ALROSA Group



[1] Severe injury rate = number of severe injuries/number of man-hours worked × 200,000 man-hours.
[2] Vehicle Accident Rate (VAR) = number of traffic accidents per year x 1 million km/total run of all vehicles of the company (subsidiary) during the reporting period.

Health protection and prevention of occupational diseases

GRI 403-3 GRI 14.16.4

ALROSA's corporate healthcare system is a well-functioning mechanism: all the Company's production facilities have health centers, and cooperation with medical institutions has been established at the location of enterprises. The Company complies with legal requirements and provides all employees with insurance against accidents and occupational diseases related to production. Additionally, ALROSA provides employees with voluntary health insurance.

Pursuant to national laws, preliminary and periodic medical examinations are provided for employees engaged in heavy work and work in harmful and hazardous working conditions. In 2024, the Company introduced regulations for periodic medical examinations, according to which the duration of the examination should not exceed two days. For these purposes, an electronic appointment system was introduced at the ALROSA Medical center, and the laboratory's business hours were extended.

To reduce the time for pre-shift medical examinations, ALROSA installed electronic medical service system devices, which made it possible to increase the throughput of medical stations.

GRI 403-10 GRI 14.16.11

In the reporting year, the main goals in preventing occupational diseases were to reduce the impact of harmful factors in the production environment identified during the special assessment of working conditions at workplaces and to implement action plans developed to improve working conditions. At the end of 2024, the main factors that caused harm at workplaces were noise, infrasound, vibration, illumination of the working area, the difficulty of the working process, and the impact of chemicals. In total, 38 cases of occupational diseases were registered at ALROSA enterprises among the Company's employees in 2024. The most common occupational pathologies are hearing and respiratory diseases.

ALROSA developed single terms of reference for the performance of the special assessment of working conditions to align the approach at all ALROSA Group enterprises and to improve the quality of the assessment.

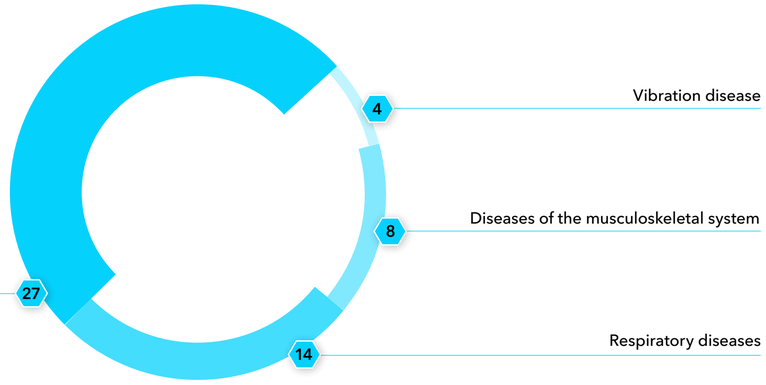
At the Mirny Central District Hospital, the Company organized continuous examination of the risk group for developing sensorineural hearing loss. Under the Rotational Doctor Program, the Hospital invites a surdologist twice a year. In 2024, the Company sent 18 employees for diagnostic testing. Three of them were diagnosed with sensorineural hearing loss for the first time.

GRI 403-6 GRI 14.16.7

To maintain a healthy lifestyle culture, ALROSA launched the ALROSA Healthy Living Territory project, under which employees develop healthy lifestyle skills in a game and competitive format. The Company holds a Health Day and arranges medical check-ups of employees directly at the workplace. Online psychological support and a motivational scoring system for wellness and resort treatment for employees are also available.



Types of occupational diseases by category among ALROSA Group employees in 2024
units



Number of ALROSA Group employees with occupational diseases people



Prevention of emergencies

GRI 14.15.1 GRI 14.15.4

ALROSA organizes protection of employees and facilities from natural and man-made emergencies, taking into account the requirements of federal laws, the specifics of production activity and the location of the Company's enterprises.

To ensure enterprises' readiness for emergency response, ALROSA:

- conducts briefings on civil defense and emergency response;
- organizes practical training and drills involving emergency rescue teams and representatives of state supervisory bodies;
- supports the functioning of local warning systems at hazardous production facilities and their link with municipal warning systems;
- equips potentially hazardous facilities with emergency response equipment.

In 2024, the Company upgraded its reserves of financial and material resources, and purchased the necessary resources for emergency response.

ALROSA develops and updates planning documents on emergency response actions:

- Action plans for containment and elimination of consequences of accidents at the HPF (emergency response plans, ERP);
- Oil and petroleum product spill response plans (spill prevention, control, and countermeasure plans, SPCC)
- Action plans for prevention and elimination of natural and man-made emergencies.

In the reporting period, three Company facilities developed oil and petroleum product spill response plans and conducted special drills. At the same time, action plans for prevention and elimination of natural and man-made emergencies for four ALROSA hydraulic structures were developed and approved. At the end of 2024, all ALROSA enterprises and mine sites were provided with oil and petroleum product spill response plans, action plans for containment and elimination of consequences of accidents and action plans for prevention and elimination of natural and man-made emergencies as required

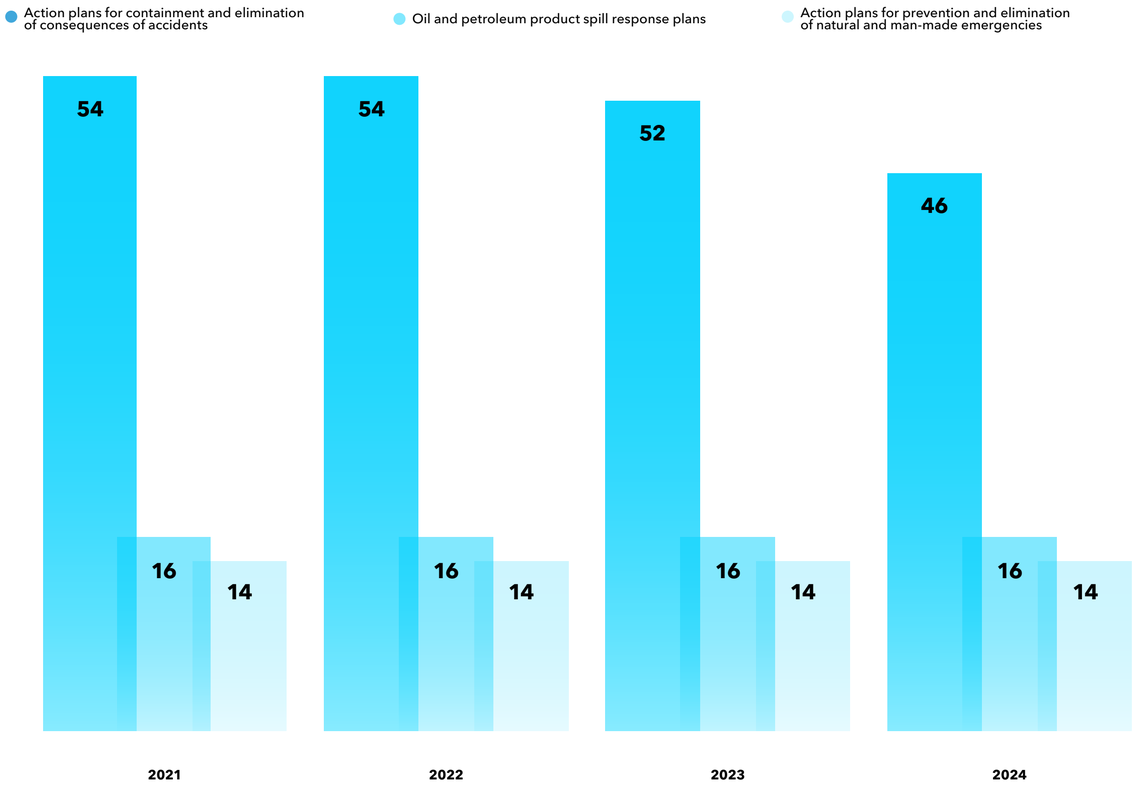
ALROSA also participates in significant measures to interact with state agencies to eliminate the consequences of accidents and emergencies, including tactical and special exercises of units of the State Fire Service and All-Russian command and staff exercises with the readiness of non-staff civil defense units.

In preparation for possible seasonal emergencies, ALROSA annually implements the Comprehensive Action Plan to prevent the spread of forest fires and the Program of fire safety measures to protect PJSC ALROSA's production facilities exposed to forest fires, as well as flood control measures on rivers and reservoirs located near the Company's enterprises.

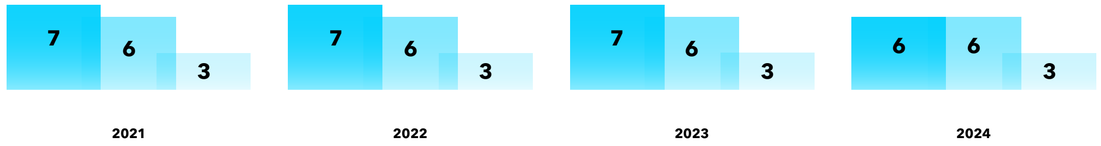
The Company's responsible approach ensured the prevention of natural and man-made emergencies in 2024.

GRI 14.15.3

Provision of emergency response plans to ALROSA Group facilities enterprises



Provision of emergency response plans to ALROSA Group facilities mine sites



NEXT STEPS

In 2024, ALROSA approved plans to implement priority OHS measures.

Plans under the new Sustainability Programme up to 2029

	TARGET	PLANS UNDER THE PROGRAMME
HS1 **Ensuring safe working conditions, zero fatalities and accidents**	Ensure zero fatalities among employees of ALROSA Group and employees of contractors at production sites	■ Develop and apply the LOTO system at processing plants ■ Implement the updated occupational safety development program ■ Implement control and management of contractors at hazardous facilities in accordance with the updated standard
	Zero accidents at production sites	■ Implement the gas safety program at mines ■ Develop production and three-level control procedures ■ Ensure external supervision at hazardous facilities
	Reduce Lost Time Injury Frequency Rate (LTIFR) to 0.16 by 2030 (with an annual reduction of 0.2 points starting from 2025)	■ Implement an internal incident investigation standard ■ Improve the culture of use of personal eye protection equipment
	Reduce the total vehicle accident rate to 0.5 by 2030	■ Equip vehicles with surround-view and radar systems ■ Improve the level of qualifications of drivers and those responsible for traffic safety ■ Implement the Protective Driving training program
HS2 **Reducing occupational disease rate**	Ensure an annual decrease in occupational hazards to employees that affect the occupational disease rate	■ Organize and perform a special assessment of working conditions at PJSC ALROSA's workplaces ■ Provide PPE for PJSC ALROSA employees through outsourcing in Mirny and Nakyn
HS3 **Improving the OHS management system**	Certification of ALROSA Group subsidiaries for compliance with occupational health and safety management system standards	■ Certification of subsidiaries for compliance with GOST R ISO 45001-2020
	Introduce innovative OHS technologies and digital tools (automation and digitalization)	■ Develop the Production Control automated information system (PC AIS) ■ Implement the Work Permit automated information system (WP AIS) ■ Implement a computer vision and video analytics system for OHS at the Internatsionalny mine

CLIMATE CHANGE AND ENERGY EFFICIENCY

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107 Goals and metrics
109 Next steps



2024 HIGHLIGHTS

DEVELOPMENT AND APPROVAL OF ALROSA GROUP CLIMATE STRATEGY AND THE ACTION PLAN FOR ITS IMPLEMENTATION

DEVELOPMENT OF KEY RISK INDICATORS (KRIS) FOR PHYSICAL RISKS ASSOCIATED WITH CLIMATE CHANGE AND SAMPLE ACTION PLANS TO BE IMPLEMENTED WHEN THRESHOLD KRI VALUES ARE ACHIEVED

RECEIPT OF THE CARBON NEUTRALITY CERTIFICATE FOR ALROSA'S DIAMOND MINING AND PROCESSING OPERATIONS FOR 2023 AND 2024 AND ITS INDEPENDENT VERIFICATION

PRESENTATION OF THE PROJECT ON THE CARBON DIOXIDE ABSORPTION POTENTIAL OF KIMBERLITE AT THE COP29

Progress under the 2021–2025 ALROSA Group Sustainability Programme [1]

EN1
Climate change mitigation and protection of the atmosphere

- Task completed
- Task included in 2025–2029 Sustainability Programme
- Task in progress
- Task not completed

TARGET	PROGRESS FOR 2024	PROGRESS SINCE THE PROGRAMME LAUNCH	
Not to exceed 0.03 tons of CO_2-equivalent per carat of diamond products per annum (Scope 1)	**0.025 TONS** of CO_2-equivalent per carat (+9% compared to 2023)	The target is achieved annually	✓
To develop the Climate Strategy of ALROSA Group	2035 ALROSA Group Climate Strategy and the Action Plan for its implementation were approved		✓
To develop and implement climate change response methods; to create climate risk assessment and management mechanisms [2]	Key risk indicators (KRIs) for physical risks associated with climate change and sample action plans to be implemented when threshold KRI values are achieved were developed		✓



[1] The targets cover the Diamond Mining and Processing Operations.
[2] This target is consistent with the approaches of international organizations, including the requirements of the IFRS Foundation's International Sustainability Standards Board (ISSB).



Why is it important to ALROSA?

ALROSA Group's key operations are located within the permafrost zone and therefore exposed to the risk of permafrost thawing if average annual temperatures increase. That is why the Company places special emphasis on climate issues and is actively involved in the search for, discussion and implementation of relevant ideas and solutions. The Company assesses, monitors and forecasts climate risks and implements measures to both mitigate such risks and adapt to them.

MATERIAL TOPICS

- Climate change and GHG emissions

REGULATORY DOCUMENTS

Internal

- 2035 Climate Strategy
- Environmental Policy
- Policy on Protection of Atmospheric Air
- Energy Efficiency and Energy Conservation Policy
- Policy on Responsible Consumption and Production (Resource Saving)
- 2035 Concept of Energy Saving and Energy Efficiency Improvement
- Corporate Standard "Environmental Protection. Functioning. Methodology for Quantifying GHG Emissions (Scope 1 and Scope 2)"
- Corporate Standard "Environmental Protection. Functioning. Methodology for Quantifying Indirect GHG Emissions (Scope 3)"
- Corporate Standard "Methodology for Quantifying Carbon Dioxide Absorption"
- Methodological recommendations on sustainability risks and opportunities

External

- United Nations Framework Convention on Climate Change
- Paris Agreement
- Strategy for Social and Economic Development of the Russian Federation with a Low Level of Greenhouse Gas Emissions up to 2050[1]
- Federal laws and regulations of the Russian Federation

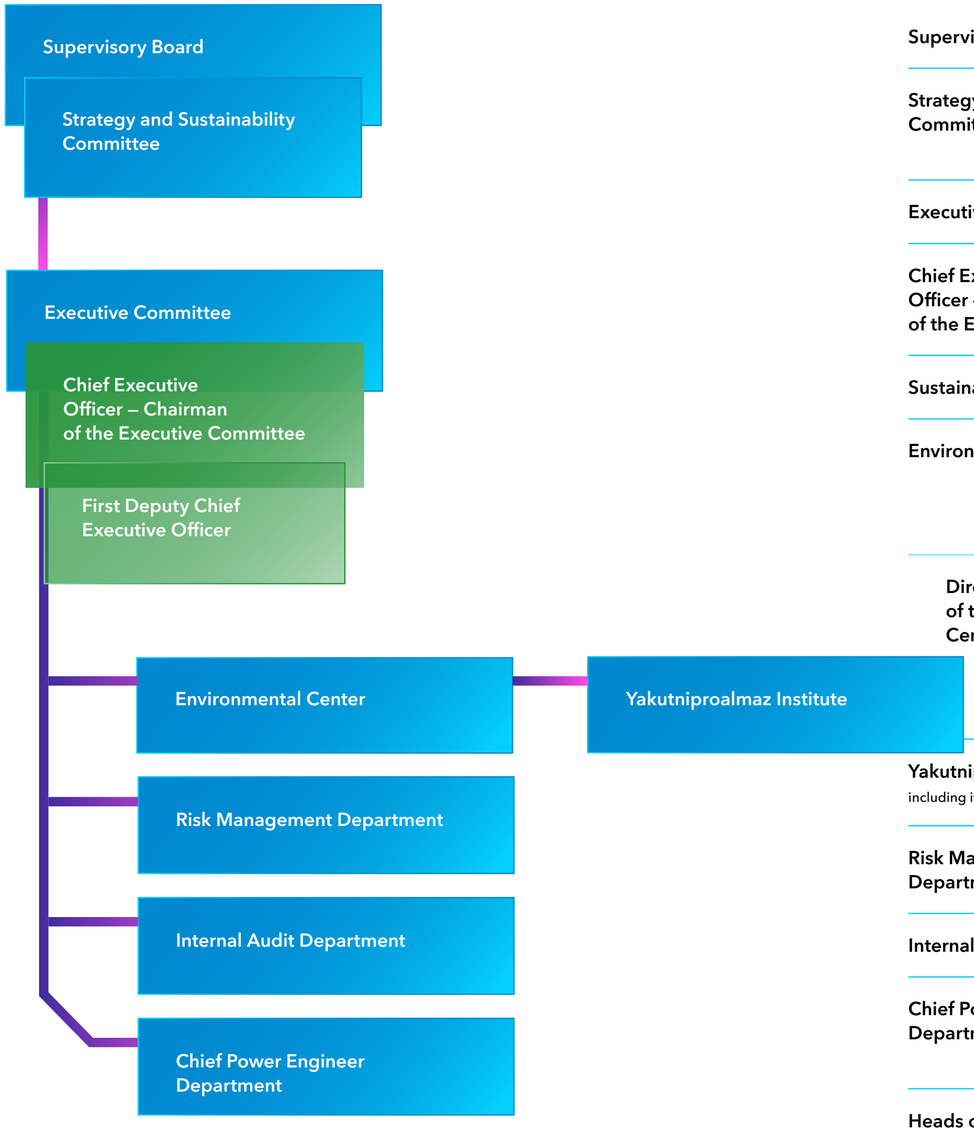
METHODOLOGICAL RECOMMENDATIONS

UN Global Compact Principles

7 8 9

[1] This document is only available in Russian.

ALLOCATION OF RESPONSIBILITY



Responsibilities of management bodies

BODY	RESPONSIBILITY
Supervisory Board	■ Sets strategic climate and energy efficiency objectives and oversees their implementation
Strategy and Sustainability Committee	■ Considers the annual Climate Strategy implementation report ■ Reviews progress in implementing strategic measures to manage climate risks ■ Develops recommendations to the Supervisory Board on climate and energy efficiency issues
Executive Committee	■ Oversees the implementation of the Climate Strategy, including climate risks management measures
Chief Executive Officer – Chairman of the Executive Committee	■ Assesses the performance of the energy management system and the climate management system; monitors the achievement of goals and implementation of measures in this area ■ Approves the annual Climate Strategy implementation report
Sustainability Working group	■ Considers the annual Climate Strategy implementation report
Environmental Center	■ Develops documents on climate-related issues ■ Consolidates the portfolio of projects related to the climate agenda ■ Quantifies GHG emissions and analyzes carbon emission reductions achieved as a result of implemented measures ■ Manages and oversees the implementation of the Climate Strategy
Director of the Environmental Centre	■ Coordinates the efforts of employees responsible for Climate Strategy measures and the overall interaction between the Climate Strategy participants ■ Oversees the quality of measures implemented under the Climate Strategy and whether the deadlines for their implementation are met ■ Ensures annual collection of data on the achievement of targets and prepares the Climate Strategy implementation report ■ In case of deviations from the target indicator for one (or more) event exceeding 30% per year: organization of preparation of proposals related to the adjustment of the list of measures, target indicators and deadlines for the implementation of the Climate Strategy
Yakutniproalmaz Institute including its Permafrost Control Department	■ Conducts research on issues related to climate change and its impact on the territories where the Company's enterprises operate
Risk Management Department[1]	■ Assesses climate risks ■ Coordinates the risk management process and aggregates information on climate risks
Internal Audit Department	■ Performs an internal independent assessment of the efficiency of the risk management system (including climate risks)
Chief Power Engineer Department	■ Develops measures to improve energy efficiency as part of the program to improve operating efficiency and reduce operating expenses ■ Calculates energy consumption by enterprises and establishes accounting for energy consumption by various technological processes ■ Monitors and tracks the performance of the energy management system
Heads of structural divisions	■ Supervise and are held responsible for the implementation of carbon and energy efficiency improvement measures; manage climate risks

[1] In 2025, the Risk Management Department and the Internal Control and Compliance Department were merged into the Risk Management and Internal Control Department.

Approach to managing climate issues

CARBON MANAGEMENT

GRI 3-3 GRI 14.1.1

The consequences of climate change are complex and global, they create significant risks for people, infrastructure and key sectors of the economy.

For ALROSA Group, risks associated with climate change and related changes in environmental components primarily entail the vulnerability of production assets and critical infrastructure.

In total, ALROSA Group has 121 capital construction facilities, which the Company identifies as climate vulnerable. If the Company's facilities are damaged, this will not only result in the suspension of their operation (downtime) and will require money and time to repair and restore them, but will also create the risk of development of related processes associated with the pollution of water, air, soil, subsoil, destruction or degradation of vegetation and forests, and death of animals.

For this reason, the Company applies a systematic approach to managing climate-related issues that includes two key areas:

- monitoring of GHG emissions and implementation of measures to reduce them;
- monitoring of climate risks and implementation of climate change adaptation and mitigation measures.

Climate change issues are considered by the Company both at the operational level (by individual enterprises) and at the strategic level (by the parent company, including the Supervisory Board and its Committees).

MED-35

The Company's activities to manage climate-related issues are governed by Russian and international standards and statutory requirements and the Company's internal documents. The key internal document is 2035 ALROSA Group Climate Strategy adopted in the reporting year.

In the reporting year, the Company also approved and put into effect its corporate standard "Methodology for Quantifying Carbon Dioxide Absorption" to regulate and harmonize the quantification of GHG removals by ALROSA Group's production facilities.

For more details on the Strategy and relevant measures, see the Climate Strategy section.

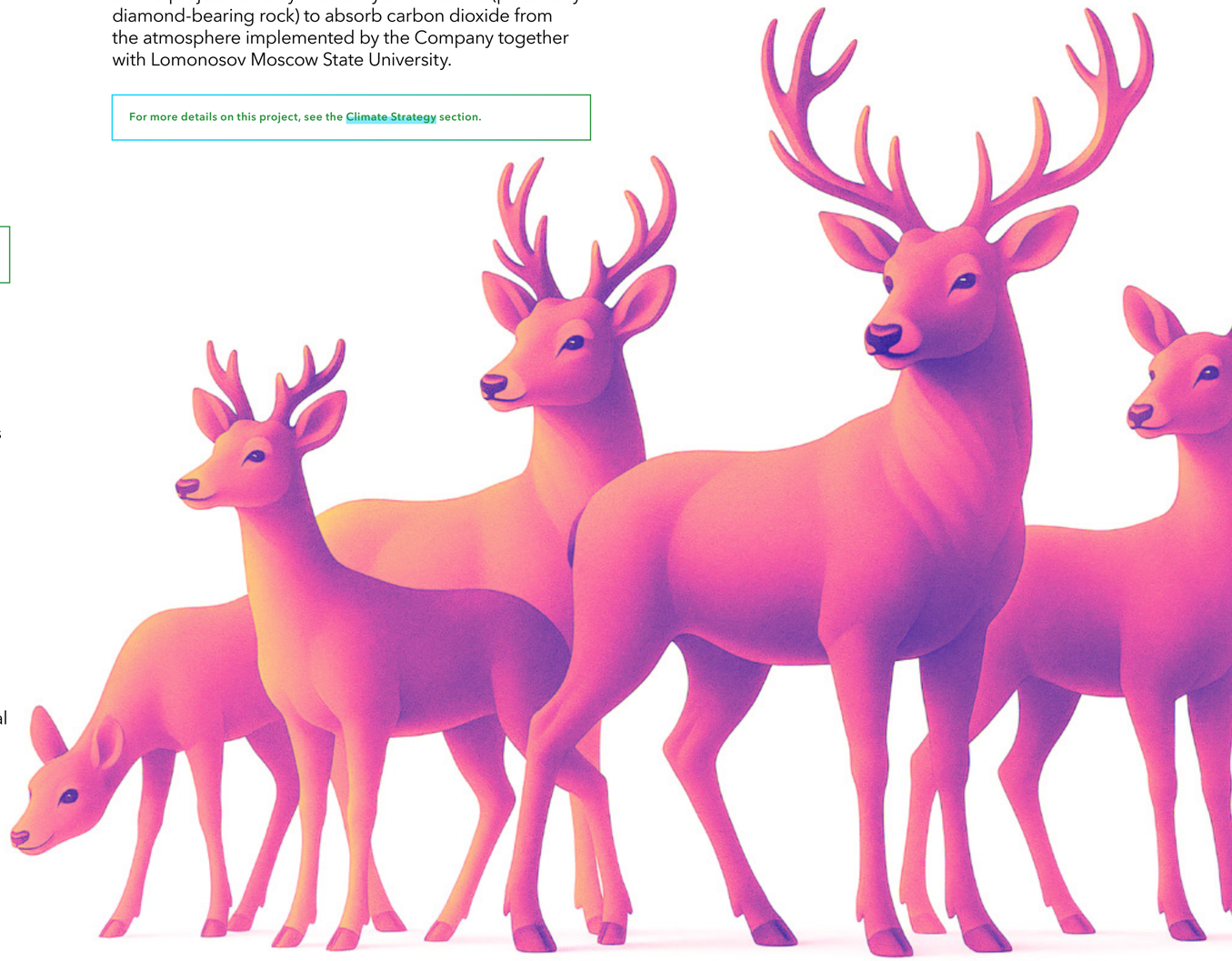
One of the tools to achieve the targets of the Climate Strategy is the establishment of special KPIs each calendar year for managers responsible for implementing the climate strategy measures. For example, starting from 2025, the KPIs related to the implementation of Strategy measures will affect the remuneration of heads of structural divisions and subsidiaries of ALROSA Group.

GRI 2-29

Another important tool contributing to the achievement of the Climate Strategy targets is the Company's engagement with stakeholders – government authorities, business community, scientific and public organizations. The exchange of knowledge and experience at conferences and business meetings and implementation of joint projects allow ALROSA Group to take a balanced approach to decision-making and build mutually beneficial relations with partners.

In 2024, at the 29th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, ALROSA Group presented a progress report on the project to study the ability of kimberlite (potentially diamond-bearing rock) to absorb carbon dioxide from the atmosphere implemented by the Company together with Lomonosov Moscow State University.

For more details on this project, see the Climate Strategy section.



ENERGY MANAGEMENT

GRI 3-3 GRI 14.1.1

The Company focuses its efforts on improving the energy efficiency of production processes and increasing the share of consumed energy from low-carbon sources as these measures contribute to a reduction in greenhouse gas and pollutant emissions. This helps the Company lower its energy consumption and thus optimize its financial costs.

The Company's strategic documents in this area are the Energy Efficiency and Energy Conservation Policy and the Policy on Responsible Consumption and Production (Resource Saving). The Chief Power Engineer Department is responsible for implementing energy saving and energy efficiency measures.

Moreover, ALROSA Group annually develops and approves program to raise operating efficiency and decrease operating expenses, which stipulates, among other things, measures to improve energy efficiency of individual facilities and production processes. The program is based on both traditional solutions (such as installation of energy-efficient LED lighting sources, equipment upgrades, etc.) and relatively new measures for the industry (such as implementation of best available technologies (BAT), expanded use of secondary energy resources, etc.). Planned effects are calculated for each measure in the relevant program, including expected savings of fuel and energy both in terms of volume and money. Following the performance of the program, the Supervisory Board approves the report on its implementation for the reporting year.

In 2024, the targets of the program to raise operating efficiency and decrease operating expenses were exceeded both in terms of volume due to the optimization of production processes at enterprises and in terms of value due to a shift in market conditions and positive changes in prices in the wholesale energy market of the Far East.

For more details on the results of programs to raise operating efficiency and decrease operating expenses, see the Climate Strategy section.

At the same time, some enterprises of ALROSA Group have implemented a pilot energy management system in accordance with ISO 50001:2018.[1] The Company is planning to identify areas for improvement of the systems and extend the improved systems to other enterprises.

For this purposes, ALROSA has already introduced the practice of energy audits of individual enterprises. In the reporting year, specialists from the Company's Chief Power Engineer Department conducted such internal audits of the energy management systems for compliance with ISO 50001:2018 at the Aikhal and Udachny MPDs.

These audits focused on the key aspects of the energy management systems operation (regulatory documents, practices of accounting for and analyzing indicators, measures taken, responsible persons, etc.). As a result of the audits, recommendations were formulated to improve the performance of the energy management systems at the audited facilities.

RUB 1.3 billion

SAVED BY REDUCING ENERGY CONSUMPTION

Results of internal audits of the energy management systems at the Aikhal and Udachny MPDs for compliance with ISO 50001:2018

The energy management system requirements are met

ISSUES CONSIDERED DURING ENERGY AUDITS	RECOMMENDATIONS
Establishment of energy indicators, their monitoring, designation of persons responsible for the monitoring	
Preparation of documents to formalize energy indicators	
Implementation of measures to improve energy indicators, and designation of persons responsible for their approval	
Introduction of the practice of energy analysis carried out by specialists of the MPDs	■ To carry out annual energy analysis to determine the required energy indicators, baselines ■ To determine factors for all deviations ■ To send the results of the analysis to the Company's authorized department
Development of corrective measures to improve the energy management system	■ To develop, together with the authorized department, corrective measures to improve the energy management systems at the MPDs
Establishment of energy efficiency goals and objectives	
Development of a program to install fuel and energy metering devices	■ To develop plans to install metering devices ■ To organize the monitoring of fuel and energy consumption indicators
Employee awareness of the requirements of ISO 50001:2018 and the Company's Energy Efficiency and Energy Saving Policy	■ To familiarize employees of the MPDs with the requirements of ISO 50001:2018 and the Company's Energy Efficiency and Energy Saving Policy ■ To provide employees of the MPDs with training in the energy management system

[1] ISO 50001:2018 certification was not performed for geopolitical reasons beyond the Company's control.



WHAT ALROSA IS PROUD OF

RESOURCE SAVING: USE OF RECYCLED MATERIALS

Reduced consumption of fuel and energy can be achieved not only by increasing the energy efficiency of production processes, but also by using secondary resources to replace primary ones.

ALROSA is already re-using the bulk of its waste oil: it is used either as fuel for boiler houses running on liquid fuel or as a raw material to produce explosives at the Aikhal, Udachny, Mirny and Nyurba MPDs.

Waste oil is prepared and recycled into fuel as follows: waste oil is settled for three days, then all suspended solids (impurities, pollutants, etc.) that have settled out are removed, after that the resulting secondary fuel is analyzed in the laboratory and sent to boiler houses.

To use waste oil for production of explosives, the oil is also prepared and treated in special machines (centrifuges).

ENERGY EFFICIENCY TRAINING

To enable employees to gain new knowledge, share experience and best practice, ALROSA Group regularly holds educational events on energy efficiency issues.

Workshop "ALROSA Energy: Sustainable Development, Efficiency and Security!"

Every year, ALROSA Group holds the workshop "ALROSA Energy: Sustainable Development, Efficiency and Security!" aimed at both internal exchange of experience between employees of the Company's subsidiaries and associates and acquisition of knowledge from external experts and specialists in energy efficient technologies and solutions. In 2024, 78 people from 24 partner companies took part in the event.

PARTICIPANTS	GOALS	MEASURES
ALROSA Group employees, representatives of design organizations and manufacturers of equipment (including energy-saving equipment)	External exchange of experience, expansion of horizons and training of the Company's specialists	Presentation of energy efficient technologies and best practices and energy-saving equipment available in the market
Employees of ALROSA Group's subsidiaries and associates	Internal exchange of experience	Consideration of issues related to industrial safety during the operation of energy facilities and issues related to energy efficiency improvement

Energy management system training

To improve the performance of the energy management system, in 2024 the Company conducted the following training programs for its employees: "Internal Auditor of the Energy Management System," "Energy Management. Energy Management System." The training took place both online and in person. In the reporting year, 33 employees of the Company received such training.

Climate Strategy

MED-35

To ensure comprehensive management of climate issues, the Supervisory Board of PJSC ALROSA approved ALROSA Group's Climate Strategy up to 2035 in 2024. The document establishes the target indicators and key areas of measures necessary to achieve strategic goals. The Strategy includes measures to reduce and prevent GHG emissions and to compensate for them.

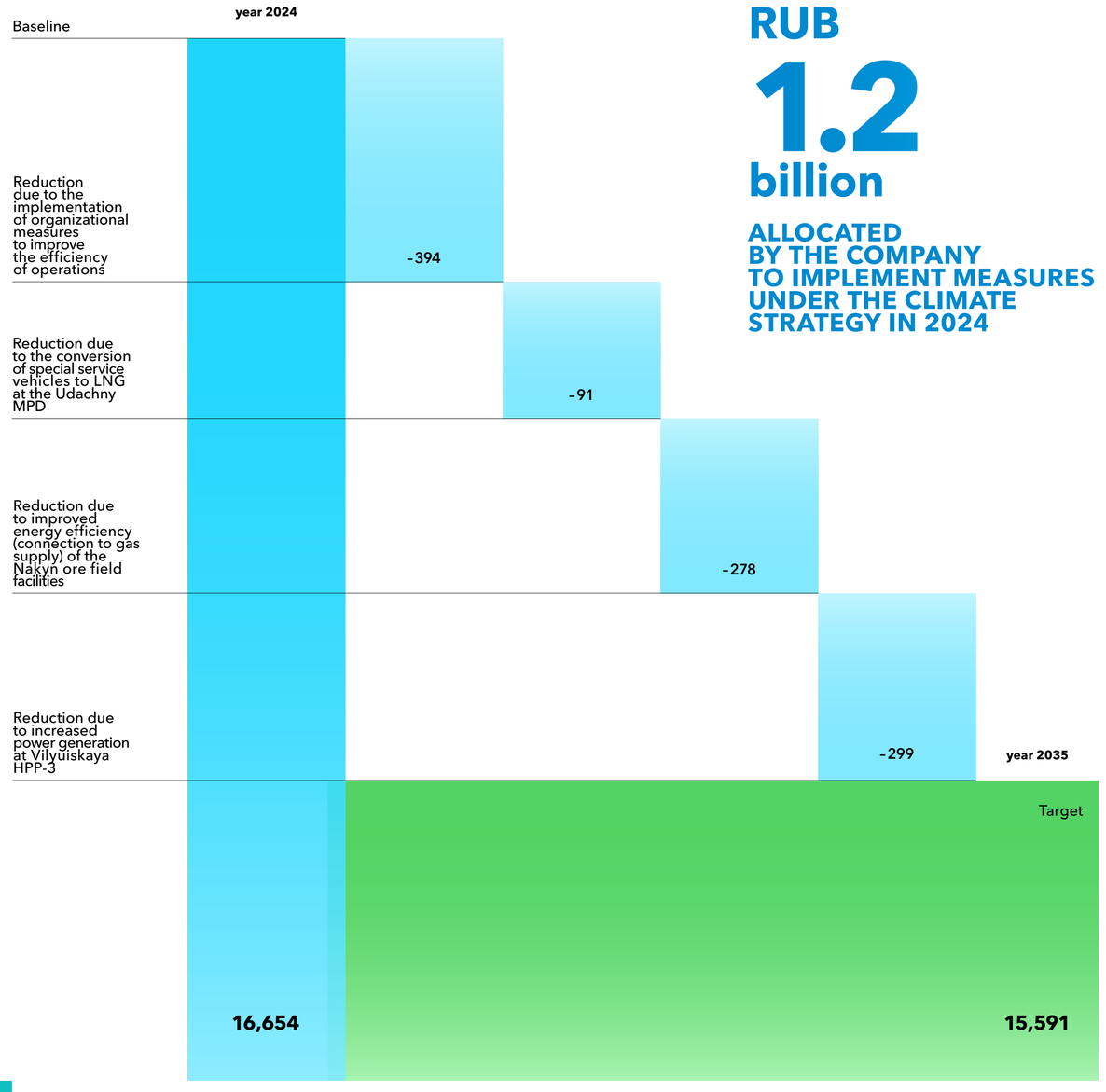
To monitor the achievement of the set climate goals, ALROSA Group developed roadmaps for decarbonization and achieving a zero balance between direct and energy indirect emissions of greenhouse gases and their removals (carbon neutral activity) through compensatory measures. The first roadmap includes targets for gross direct and indirect energy-related emissions of greenhouse gases (Scope 1 and 2) for each year, while the second roadmap sets targets for the absorption (removal) of carbon dioxide from the atmosphere by kimberlite (potentially diamond-bearing rock) for each year.

The measures stipulated by the Climate Strategy are part of the ALROSA program to improve the efficiency of operating processes and have the status of an investment project related to the Company's core activity simultaneously associated with a reduction in greenhouse gas emissions. More than 99% of the Climate Strategy financing (RUB 7.3 billion) is planned for capital expenditures. At the same time, the Company recognizes that the implementation of the Climate Strategy involves risks that may hinder the achievement of planned targets. For this reason, the costs of implementing the measures of ALROSA Group's Climate Strategy until 2035 were calculated indicative and will be revised annually as part of the preparation of the Company's budget and strategy, taking into account the existing restrictions and financial capabilities.

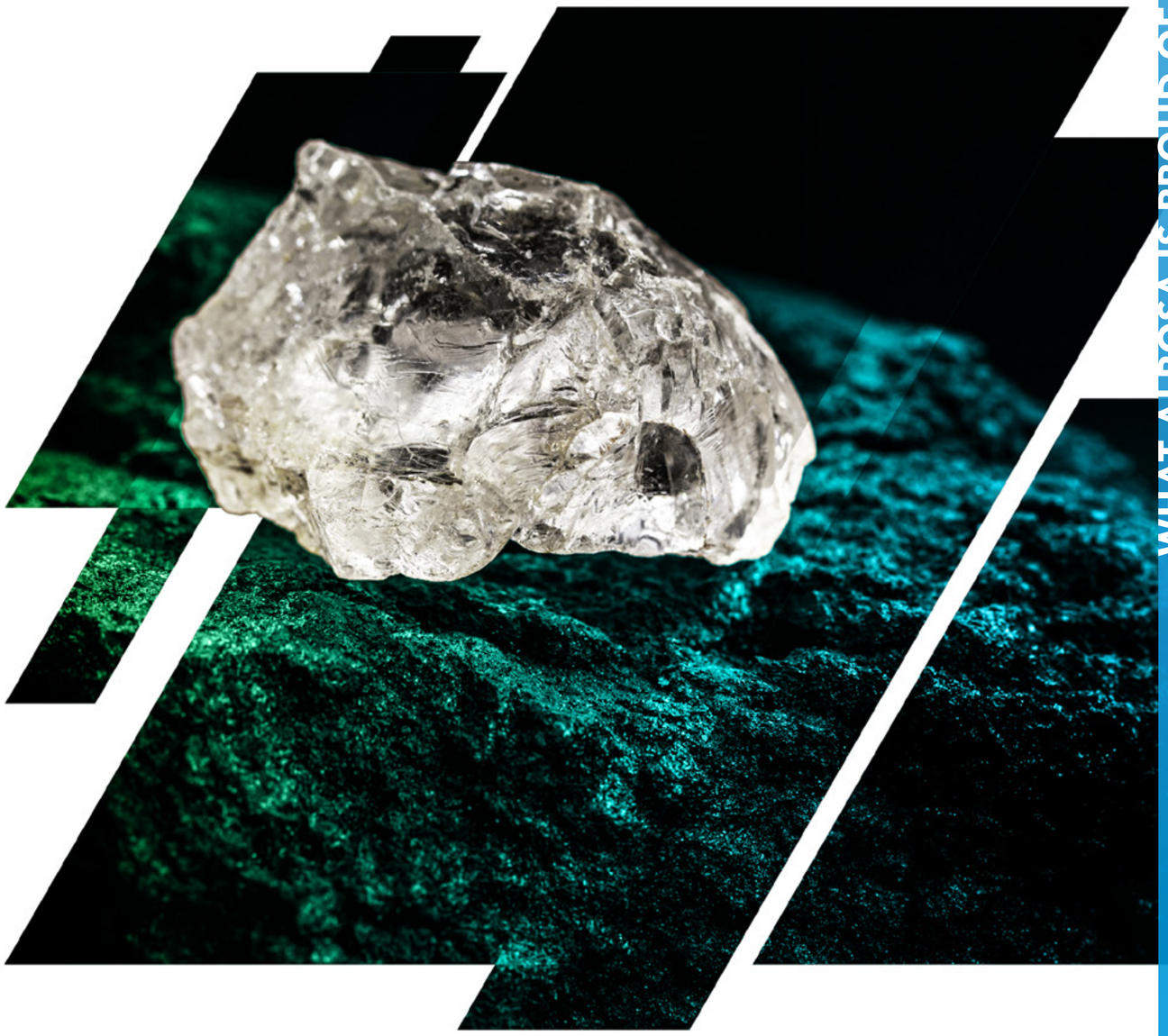
Risks of implementing 2035 ALROSA Group Climate Strategy

GROUP OF RISKS	DESCRIPTION
Macroeconomic	Reduced financing of the Climate Strategy measures due to lower profits and free cash flows of ALROSA Group caused by changes in the global market
Man-made, natural and social	Increased GHG emissions and additional investments due to major man-made disasters (destruction of critical infrastructure, human factor, etc.), natural disasters (fires, floods, landslides, etc.) or social disasters (unlawful interference with the operation of the Company's enterprises, etc.)

Target reduction in direct and indirect energy-related GHG emissions (Scope 1 and 2) by ALROSA Group thousand tons of CO_2-eq.



RUB 1.2 billion ALLOCATED BY THE COMPANY TO IMPLEMENT MEASURES UNDER THE CLIMATE STRATEGY IN 2024



WHAT ALROSA IS PROUD OF

CONFIRMATION OF THE CARBON NEUTRALITY OF THE DIAMOND MINING AND PROCESSING OPERATIONS

In 2021–2023, a team of scientists from Lomonosov Moscow State University conducted large-scale theoretical, bench and field studies of processes leading to the transformation of kimberlite ore minerals accompanied by direct absorption of carbon dioxide from the atmosphere. The studies gave scientific credence to the fact of CO_2 absorption by kimberlite and quantified the absorption capacity of spent ore. Based on these studies, the absorption of CO_2 was quantified and the carbon neutrality of ALROSA's Diamond Mining and Processing Operations (for Scope 1 and 2) was confirmed for 2023 and 2024.

The Report on GHG Emissions and Removals was prepared in accordance with ISO 14064-1:2018 and subsequently verified by an international certification body.

SALE OF GREEN CERTIFICATES

Since 2023, ALROSA has been cooperating with Carbon Zero, the Russian operator of a voluntary green electricity certificate circulation system. As part of this cooperation, the Company has provided 11,000 green certificates for electricity produced at Svetlinskaya HPP (Vilyuiskaya HPP-3) to third-party customers.

In 2024, the Company focused its efforts on the qualification of Svetlinskaya HPP – checking the generation facility for compliance with the qualification criteria approved by the Government of the Russian Federation [1]. This work is necessary to reliably confirm that the power plant is based on renewable energy sources and uses low-carbon HPP power generation technology. Based on the results of the qualification, the HPP will be included in the Register of Generation Attributes and Certificates of Origin of Electricity, the operator of which is the Energy Certification Center (CES LLC). Being a qualified generating facility, Svetlinskaya HPP will be able to perform operations with generation attributes and certificates of origin of electric power. The Company is planning to complete its qualification in 2025.

1 mln

green certificates annually

THE POTENTIAL OF SVETLINSKAYA HPP

[1] Resolution of the Government of the Russian Federation No. 2359 of 28.12.2023 On the Approval of the Rules for the Qualification of a Generating Facility Operating on the Basis of Renewable Energy Sources and (or) being a low-carbon generating facility, the Rules for determining the level of localization in the Russian Federation of the production of generating equipment for the production of electricity using renewable energy sources for the generating facility and the indicator of export of industrial products (generating equipment for electricity generation using renewable energy sources) and/or the work (services) performed (provided) during the design, construction and installation of generating facilities located in the territories of foreign countries for the generating facility, the Rules for maintaining a register of attributes of generation, provision, circulation and redemption of certificates of origin of electric power.

The carbon neutrality of ALROSA's Diamond Mining and Processing Operations was confirmed for 2023 and 2024



KIMBERLITE

Diamond-bearing rock

Absorbed carbon is "locked" in a stable form that prevents it from reentering the atmosphere

Ore in one 130-ton dump truck absorbs 6,000 kg of CO_2, counteracting the carbon dioxide emissions of a gasoline car driving 26,000 kilometers – ⅔ of the Earth's circumference around the equator.



34 million tons

OF DIAMOND ORE ALROSA MINES PER YEAR

400k ha of forest

THE ANNUAL VOLUME OF CARBON DIOXIDE ABSORPTION BY KIMBERLITE FROM ALROSA DEPOSITS IS MORE THAN 1 MILLION TONS OF CO_2-EQ. WHICH IS COMPARABLE TO THE VOLUME OF GREENHOUSE GAS ABSORPTION BY 400,000 HECTARES OF FOREST PER YEAR.

№1

ALROSA BECAME THE WORLD'S FIRST CARBON NEUTRAL MINING COMPANY

proven as a result of three years research

CO_2 NEUTRAL

МГУ

TÜV AUSTRIA VERIFIED STANDARDS & COMPLIANCE

confirmed by an internationally recognized verification certificate



[1] The average absorption volume is 46 kg CO_2-eq./tonne of ore.

ALROSA Group's measures to reduce direct and energy indirect GHG emissions (Scope 1 and 2)

GRI 305-5 GRI 14.1.9

FOCUS AREA	MEASURES	COMPANY'S FACILITIES	KEY RESULTS FOR 2024	REDUCTION/PREVENTION OF GHG EMISSIONS IN 2024
Implementation of organizational measures to improve the efficiency of operations	Implementation of measures under ALROSA Group's Program to raise operating efficiency and decrease operating expenses	Key production facilities of the Company (Aikhal MPD, Udachny MPD, Mirny and Nyurba MPD, etc.)	More than RUB 1 billion of savings of fuel and energy for ALROSA Group was achieved	32,758.48 tons of CO_2-eq.
Converting vehicles to gas fuel	Conversion of special service vehicles to liquefied natural gas (LNG)	Aikhal MPD, Udachny MPD	General technical solutions of the natural gas liquefaction complex and high-level assessment of the LNG infrastructure project and the transfer of open-pit machinery to liquefied natural gas were prepared	A quantitative assessment of the effect of project implementation is planned for the following periods
	Conversion of passenger vehicles to compressed natural gas (CNG)	The structural divisions and subsidiaries of the Company	The implementation of the project to switch passenger vehicles and utility equipment to CNG continued: ■ compressed natural gas replaced gasoline by 40% and diesel fuel by 60% ■ 54 CNG vehicles were purchased as part of the technical upgrade and replacement of worn-out equipment	
Connection of production facilities to gas supply	Improvement of the energy efficiency of production processes, their connection to gas supply	Udachny underground mine, Mirny and Nyurba MPD	■ The Udachny mine was gasified ■ Gasification of the Nakyn ore field has begun (a gas pipeline is being built to the Mirny and Nyurba MPD production site in Nakyn, equipment for a gas piston power plant has been purchased)	
HPP modernization and expansion, use of renewable energy	Increased hydroelectric power generation	Vilyuiskaya Hydroelectric Power Plant (Vilyuiskaya HPP-3)	■ Preparation work was performed to construct the start-up complex of hydroelectric unit No. 4 of the hydroelectric power plant: design documentation was developed and approved by the state control bodies, the main technological equipment was supplied, construction and installation work was started ■ The work launched to raise the water level in the Svetlinskoye reservoir to design levels: field rescue operations were performed at cultural heritage sites, a positive opinion was received from the Department for the Protection of Cultural Heritage Sites of the Republic of Sakha (Yakutia), equipment for the floating pumping unit of the water intake facility at the village of Svetly was supplied.	1,444.72 tons of CO_2-eq.
	Use of solar power	Nakyn production site and stopover refueling stations, power grid company	■ The use of solar energy continued at the stopover refueling stations on the winter road ■ The installation of a solar power plant with a capacity of 15 kW was completed as part of the Company's pilot project: based on the results of assessing the efficiency of the power plant, a decision will be made to build more powerful facilities	A quantitative assessment of the effect of project implementation is planned for the following periods

FOCUS AREA	MEASURES	COMPANY'S FACILITIES	KEY RESULTS FOR 2024	REDUCTION/PREVENTION OF GHG EMISSIONS IN 2024
HPP modernization and expansion, use of renewable energy	Use of wind power	Upper site of the open-pit mine at the Mir kimberlite pipe	■ Preparation for the installation of a wind power plant was carried out: work was completed to collect meteorological data to assess the wind potential to calculate the optimal parameters for the installation.	–
Offsetting greenhouse gas emissions through the absorption capacity of kimberlite	Scientific studies on the absorption of CO_2 from the atmosphere by kimberlite (potentially diamond-bearing rock) together with Lomonosov Moscow State University	ALROSA Group as a whole	■ The carbon neutrality of ALROSA's Diamond Mining and Processing Operations (for Scope 1 and 2) was confirmed for 2023 and 2024	The potential for absorption of atmospheric CO_2 by kimberlite is 1.5–1.7 times higher than the Company's annual emissions of CO_2-eq.
Potential hydrogen technologies, electrification of mines	Monitoring and research of the market for hydrogen engines, study of prototypes of hybrid dump trucks (diesel fuel and electricity) and multi-fuel dump trucks (LNG, hydrogen and electricity)	ALROSA Group as a whole	■ Analysis of existing technical solutions and trends in the mining industry in friendly countries was performed ■ Relevant technologies were selected for further discussion and prioritization based on the Company's requirements	
	Monitoring and research of the market for mine electrification equipment, negotiations with equipment suppliers	ALROSA Group as a whole		



Risks and opportunities due to climate change

GRI 3-3 GRI 201-2 GRI 14.2.1 GRI 14.2.2

ALROSA Group considers both physical [1] and transition [2] risks associated with climate change in its business strategy. These risks were identified by the Company in 2021–2022. The Company has quantified its physical climate risks and considered the operations of production assets, transport infrastructure and power facilities, suppliers and clients in all of the following climate change scenarios. The share of ALROSA Group's assets for which physical climate risks have been assessed is more than 80%.

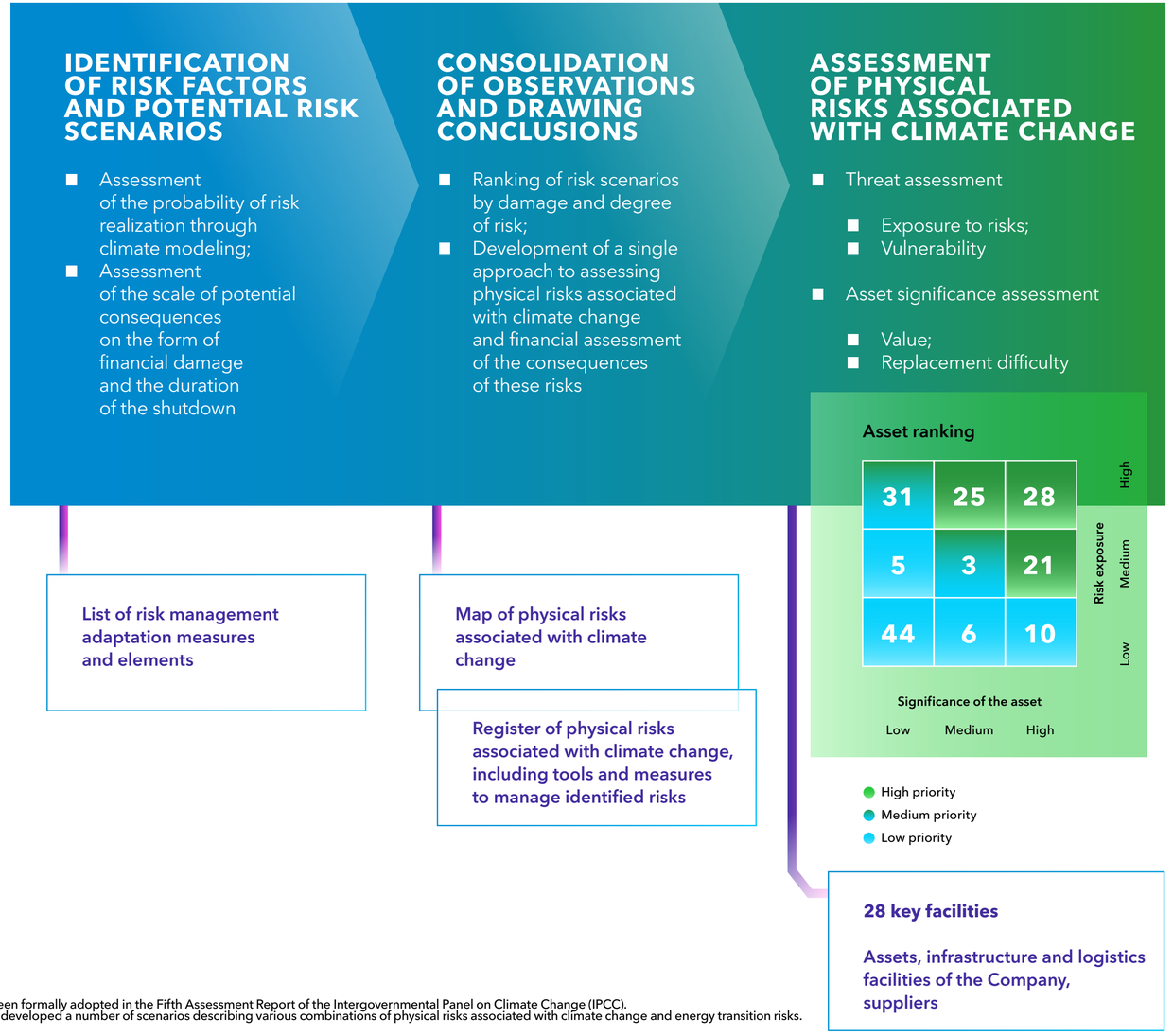
The scenario analysis factored in the regional climate specifics of the Republic of Sakha (Yakutia).The methodological approach to identifying and assessing physical climate risks for the Company's facilities under any of the climate change scenarios was based on the assessment of both the threat level and the significance of assets exposed to the risk.

In the reporting year, the Company paid special attention to the development of physical climate risk indicators. Determination of risk factor monitoring and control tools will allow ALROSA to track changes in their level and promptly respond to its increase.

Climate change scenarios considered by ALROSA Group to assess physical climate risks

		RELEVANT CLIMATE RISK MODELING METHODS		
SCENARIO	WARMING BY 2050	RCP SCENARIOS [3]	NGFS [4] METHODOLOGY	IEA [5] MODEL
Extreme	+2.3 °C, if no new action to combat climate change is taken	RCP 8.5	NGFS Current Policies	–
Moderate	From +1.5 °C to +2.3 °C	RCP 6.0	NGFS Delayed Transition	–
Ambitious	Up to +1.5 °C, if the ambitious goals of the Paris Agreement are achieved	RCP 4.5	NGFS Net Zero 2050	IEA NZE

ALROSA's approach to identifying and assessing physical risks associated with climate change



[1] Physical risks associated with climate change are risks, the implementation of which leads to direct damage to economic activity, infrastructure facilities and the natural environment.
[2] Transition risks associated with climate change are risks, the implementation of which leads to additional financial and administrative burden for the implementation of economic activities.
[3] RCP (Representative Concentration Pathways) are climate change scenarios to project future greenhouse gas concentrations. These pathways describe future greenhouse gas concentrations and have been formally adopted in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).
[4] NGFS (Network for Greening the Financial System) is a community of central banks and supervisory bodies willing to improve the environmental performance of the financial system. The community has developed a number of scenarios describing various combinations of physical risks associated with climate change and energy transition risks.
[5] International Energy Agency. The model developed by the IEA is a medium-term and long-term forecasts of climate change based on the operation of energy markets.

ALROSA's approach to monitoring risk factors associated with climate change

STAGE	PURPOSE	DESCRIPTION
1	Identification of key risk indicators (KRIs) for each risk factor	Each climate stress factor has a number of identifiers – KRIs – the monitoring of which will help identify changes in the risk level
2	Identification of sources of information for monitoring KRIs	For each indicator, sources of information for monitoring its changes will be determined: ■ temperature measurements at sites ■ measurements of soil temperature and moisture at the base of structures ■ water level measurements in water bodies during spring floods and low-water periods ■ international reports on climate change (IPCC, other intergovernmental organizations) ■ state statistics on the area of forest fires and fire sources, precipitation, temperature changes
3	Determination of acceptable KRI levels for each risk scenario	Acceptable and critical indicator levels will be determined and recorded to monitor KRIs: ■ for each risk scenario at the relevant facility, risk factors affecting its implementation will be determined ■ for risk factors, relevant KRIs for each risk scenario will be determined in accordance with the risk level and the specifics of the facility ■ acceptable and critical levels for each KRI under the relevant risk scenario will be determined ■ The values will be revised every five-to-seven years
4	Regular monitoring of changes in KRIs	A system for collecting, processing and analyzing KRIs as part of ALROSA Group's risk management with the following functions will be created: ■ systematization of data on climate factors and key risk indicators ■ regular collection of information from assets or other sources on KRI values ■ determination of acceptable KRI values ■ analysis of KRI changes over time and tracking of trends in terms of the acceptable KRI level ■ development of additional measures to identify new climate scenarios
5	Revision of risk factors	Every five-to-seven years, climate risks will be reassessed, and additional measures will be developed, implemented and analyzed for each of the identified risks if the established KRI level for any of the climate factors has been changed (exceeded). In the event of a decrease in the KRI level, the level of risk will be reduced.

In 2024, the Company's efforts to address climate risks also focused on the development of its risk management system. The Company intends to include the methodology for identifying, assessing, analyzing and managing climate risks in its updatable corporate Procedure on Risk Management. This will help promptly update the current list of climate risks, assess and manage them at all production levels.



WHAT ALROSA IS PROUD OF

ADAPTATION TO CLIMATE RISKS IN THE FAR NORTH (SUBARCTIC)

ALROSA Group's main facilities are located in the Republic of Sakha (Yakutia) whose severe climate is sharply continental and where permafrost is widespread. Therefore, the Company monitors, assesses and forecasts physical climate risks to which this territory is exposed.

Since 2022, the Company, together with the Melnikov Permafrost Institute of the Siberian Branch of the Russian Academy of Sciences (SB RAS), has been carrying out research to study the impact of the climate on the response of the natural and technical environment of the territories where ALROSA Group's enterprises operate. The research is conducted in stages:

2023

Hydrometeorological data for 30 years was analyzed; the response of permafrost to climate warming was studied; landscape zoning was carried out; the appropriate climate change scenario was selected

2024

Key risk indicators associated with climate change and sample action plans to be implemented when threshold KRI values are achieved were developed; field work on climate factors to assess their changes was performed; the forecast of possible changes in the natural environment and soil foundations of infrastructure in the area was modeled and developed

2025

It is planned to develop a methodology for collecting, consolidating and analyzing data and making direct calculations of KRI values

Moreover, the Company strictly complies with the requirements of Russian laws on working in permafrost areas and implements various measures to prevent and mitigate relevant risks. For example, the Company regularly does a stocktake of buildings and structures in permafrost areas and monitors their condition.

Examples of developed key indicators of physical risks associated with climate change and inherent in the Republic of Sakha (Yakutia)

KRI	MEASURES TO CALCULATE AND ANALYZE KRIS
Frost ratio	■ Annual monitoring based on meteorological observations ■ Re-installation of meteorological stations for their subsequent use for monitoring purposes
Atmospheric scattering capacity Heat supply ratio for the territory Wind ratio Precipitation ratio	■ Launch of a pilot project to plan drilling and blasting operations based on cyclone forecasts 7 days in advance (forecasts will be received from the Yakutia Territorial Administration for Hydrometeorological and Environmental Monitoring) ■ Analysis and assessment of the economic feasibility of such measures
Hydrological risks Maximum daily precipitation per year Mean water level in the reservoir in May (shows the inflow of water)	■ Organization or resumption of hydrological observations of small and medium-width rivers near the Company's facilities potentially exposed to flash floods ■ Monitoring of maximum daily precipitation during the year at all meteorological stations near the Company's facilities
Fire weather index	■ Organization of daily online monitoring of the territory near the Company's facilities using the SB RAS web-based "Geographic Information System" during high fire danger periods



ALROSA Group's physical climate risks

RISK FACTOR	RISK DESCRIPTION	KEY RISK INDICATORS (KRIS)	POTENTIAL IMPACT	RISK MITIGATION MEASURES
Extreme floods	Flooding of production facilities as a result of heavy river floods in the Company's regions of operation	■ Air temperature ■ Annual precipitation in the area of the facility ■ Water level in nearby water bodies	■ Greater exposure of the Company's facilities to permafrost thawing risks ■ Flooding of open-pit and underground mines due to changes in hydrogeological conditions and increased total water inflow, including groundwater rise ■ Destruction of sections of non-asphalt roads, bridge crossings and, as a result, disruption of the transport accessibility of the Company's facilities ■ Damage to power lines as a result of precipitation: hail, ice rain, etc.	■ KRI monitoring ■ Engineering and technical measures to reduce the strength of ice on stream diversion channels ■ Construction of water-diversion (hillside) ditches and improvement of their throughput capacity ■ Development of permanent three-dimensional models of hydraulic structures and forecasts of their condition ■ Construction of storage ponds (sumps) to catch floodwater
Extreme precipitation	Extreme precipitation will not be a risk per se to the Company, but will increase the exposure of its assets to flooding risks and permafrost thawing risks (relevant to hydraulic structures)			■ KRI monitoring ■ Engineering and technical measures to regulate surface flow ■ Equipment of storage ponds with siphon spillways ■ Installation of freezing columns, freezing of filtering taliks, thermal stabilization of dams ■ Construction of erosion control structures for better water retention
Extreme heat	Extreme heat (+45 °C and higher) combined with high humidity in the territories where the Company's African assets are located	■ Duration of high temperature period	■ Reduced staff performance and reduced working hours ■ Increased risk of occupational injuries ■ Increased design requirements for equipment ■ Increased energy consumption for ventilation and cooling	■ KRI monitoring ■ Air conditioning of facilities and equipment ■ Providing employees with special clothing (equipment)
Forest fires	Spread of forest fires in the regions where the Company's facilities are located	■ Number of ignition sources ■ Area of forest fires in the region	■ Reduced transport accessibility of the Company's facilities ■ Destruction of facilities at the Mirny and Nyurba MPD ■ Activation of permafrost degradation processes due to disturbance of vegetation and topsoil ■ Rising cases of employee ill-health and employees taking sick days due to heavy smoke	■ KRI monitoring ■ Construction of firebreaks ■ Implementation of a fire safety program to protect ALROSA's production facilities exposed to forest fires
Permafrost thawing	Higher soil temperatures, greater thickness of the seasonally thawed layer and, as a result, acceleration of permafrost thawing in the regions where the Company's facilities are located	■ Air temperature ■ Temperature of soil at the base of facilities	■ Open pit slope failures in talik zones ■ Destruction of embankment dams at tailings facilities resulting in discharge of polluted wastewater into natural water bodies ■ Permafrost degradation in the area of construction of a new airport in Mirny and in the area of operation of Polyarny Airport in Udachny ■ Destruction of sections of non-asphalt roads, bridge crossings and, as a result, disruption of the transport accessibility of the Company's facilities ■ Deformation of piled foundations and supports of the Company's facilities	■ KRI monitoring ■ Geophysical study of soil at the base of facilities ■ Engineering measures to increase the stability of walls and connections and to reduce the level of seepage ■ Installation of freezing columns at facilities ■ Stabilization of soil bases by backfilling them with modern polymer substances

РИСК-ФАКТОР	DESCRIPTION РИСКОВ	КЛЮЧЕВЫЕ ИНДИКАТОРЫ РИСКОВ	ПОТЕНЦИАЛЬНЫЕ ПОСЛЕДСТВИЯ	МЕРОПРИЯТИЯ ПО МИНИМИЗАЦИИ РИСКА
Change in the freeze-up period	Fewer days with low temperatures (below –20 °C) in the regions where the Company's facilities are located	■ Air temperature in autumn and winter ■ Working hours of winter road sections annually	■ Reduced period of using winter roads – key transport routes connecting the Company's main facilities ■ Disruption of the heat exchange between the atmosphere and the underlying surface due to changes in the state of landscapes ■ Permafrost thawing ■ Disruption of the hydrological regime of water bodies (changes in the stream surface elevation and stream discharge, annual flow, etc.) ■ Changes in the humidity characteristics of the warm period, higher fire risks	■ KRI monitoring ■ Regular audit of the reserve stock availability before the winter period ■ Engagement of third-party transport operators under long-term contracts
Water scarcity	Water scarcity in the regions where the Company's facilities are located	■ Water level in key natural water bodies and reservoirs	■ Restricted navigation along the Lena and Vilyuy Rivers ■ Restricted power generation at the HPP cascade on the Vilyuy River	■ KRI monitoring ■ Alternative freight delivery routes in summer

In addition to physical risks, the Company also has inherent transitional climate risks, for the management of which ALROSA has also developed a list of preventive and corrective measures to minimize possible consequences in the future.

Apart from risks, the Company identified available opportunities related to climate change:

- solutions to capture and store greenhouse gases: the GHG absorption capacity of kimberlite;
- construction of green buildings and development of environmentally friendly construction materials ensuring a high level of energy efficiency of buildings and structures: potential establishment of strict requirements for buildings and structures under construction to prevent permafrost thawing.

Some of ALROSA's facilities are located in the territory spreading from the Arctic Circle to Central Yakutia. Key operations are carried out in hard-to-reach areas with limited cargo delivery periods. For this reason, the Northern Sea Route (NSR) and inland waterways (such as the Lena River) play a special role in ensuring reliable and safe transportation of goods. During the 2024 navigation period, the Company delivered almost 60,000 tons of various goods to its structural divisions located in hard-to-reach areas. At the same time, global climate change opens up new opportunities for the Company: higher average annual air and natural water temperatures will contribute to longer periods of navigation through the NSR and inland waterways in the region, and therefore to potentially higher volumes of transported goods.



Goals and metrics

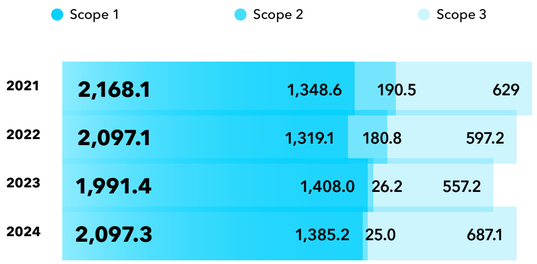
GHG EMISSIONS METRICS

Direct and indirect GHG emissions (Scope 1, 2 and 3)[1] across ALROSA Group in 2024 amounted to 2,097.3 thousand tons of CO_2-equivalent, which is 5% higher than in 2023. The changes in the indicator are explained by the production program and an increase in the volume of transportation.

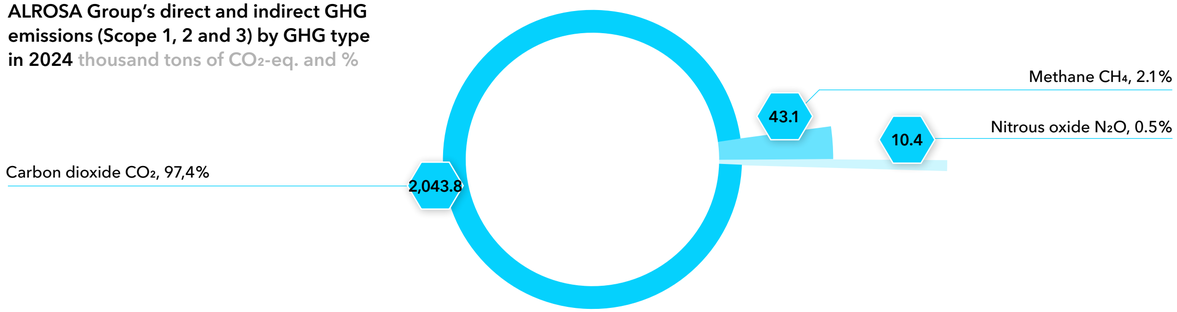
The intensity of direct GHG emissions (Scope 1) of the Diamond Mining and Processing Operations and the entire ALROSA Group in 2024 amounted to 0.025 and 0.042 tons of CO_2-equivalent/carat of diamond products, respectively, which is slightly higher than in 2023. The dynamics of the indicator is explained by the production program and an increase in the volume of transportation.

GRI 305-1 GRI 305-2 GRI 305-3 GRI 14.1.5 GRI 14.1.6 GRI 14.1.7 MED-20

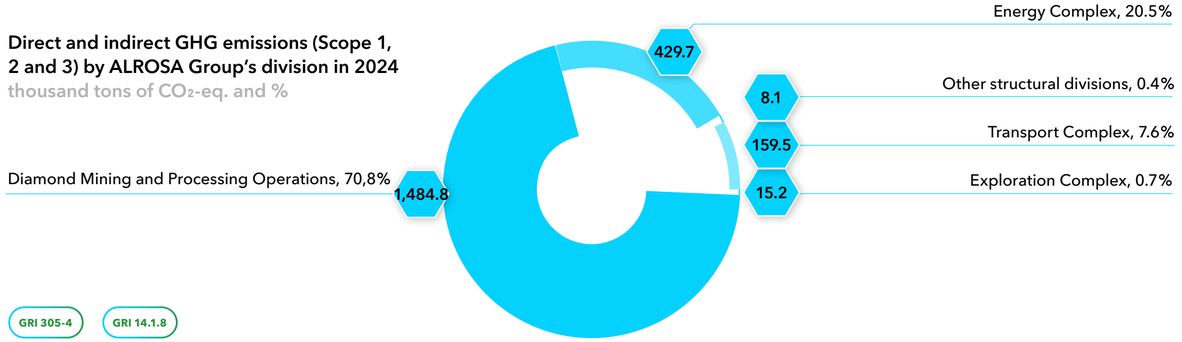
ALROSA Group's direct and indirect GHG emissions (Scope 1, 2 and 3) thousand tons of CO_2-eq.



ALROSA Group's direct and indirect GHG emissions (Scope 1, 2 and 3) by GHG type in 2024 thousand tons of CO_2-eq. and %

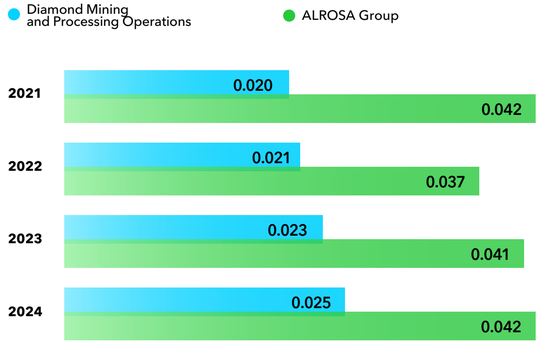


Direct and indirect GHG emissions (Scope 1, 2 and 3) by ALROSA Group's division in 2024 thousand tons of CO_2-eq. and %



GRI 305-4 GRI 14.1.8

Direct GHG emissions intensity of the Diamond Mining and Processing Operations (Scope 1) tons of CO_2-eq. per carat



Direct GHG emissions intensity of the Diamond Mining and Processing Operations (Scope 1) tons of CO_2-eq. per RUB million[3]



ENERGY CONSUMPTION AND ENERGY EFFICIENCY METRICS

In 2024, ALROSA Group's total energy consumption (including renewable energy sources) amounted to 21,653 TJ, which is 10% lower than in 2023[2]. The downward trend in fuel consumption is associated with a number of factors, including an increase in outdoor air temperature during the heating period, measures to upgrade the heat supply system, and the closure of some production units of the generating company due to the termination of power supply contracts with consumers.

GRI 302-3 GRI 14.1.4 MED-23

The energy intensity of diamond products by 14% compared to 2023 to 0.44 GJ/carat. The dynamics of the indicator is explained by an increase in the volume of mined rock and the commissioning of new and additional equipment at Aikhal, Udachny, Mirny and Nyurba MPD, as well as the deepening of open-pit mines, an increase in water inflows and the launch of a full-scale cooling water clarification unit at Lomonosovsky MPD.

Energy intensity of diamond products[4] GJ/carat



[1] The Company's methodology for quantifying direct and indirect GHG emissions of Scope 1, 2 and 3 is based on the GHG Protocol. All the graphs show data according to this methodology. Types of greenhouse gases included in the quantification of direct and indirect GHG emissions of Scope 1, 2 and 3: CO_2 (carbon dioxide), CH_4 (methane), N_2O (nitrous oxide). Emissions of HFC (hydrofluorocarbon), PFC (perfluorinated organic compounds), SF_6 (sulfur fluoride (VI)), NF_3 (nitrogen fluoride (III)) are not typical of ALROSA.
[2] The indicator is calculated as the ratio of direct greenhouse gas emissions (Scope 1) to ALROSA's revenue in accordance with the Company's disclosed consolidated financial statements for the relevant years.
[3] Hereinafter the values of energy consumption indicated have been recalculated for 2023 in order to eliminate the identified inaccuracies in the original data and to take into account purchases on the Wholesale Electricity and Capacity Market.
[4] The energy intensity of diamond products was calculated using the formula: total energy consumption by the diamond mining companies of ALROSA Group's Diamond Mining and Processing Operations/volume of diamond production. Fuel, heat and electricity consumption is included in the calculation of the indicator (energy consumption outside of the organization is not included). The indicator values for 2021–2023 were recalculated in accordance with the Methodology for calculating key energy efficiency indicators of the Innovative Development and Technological Modernization Program of PJSC ALROSA, approved in 2024.

GRI 302-1 GRI 14.1.2 MED-22

ALROSA Group's energy consumption TJ

INDICATOR		2021	2022	2023	2024
1	**Non-renewable fuel consumption, including:**	**20,148**	**18,610**	**21,924**	**19,488**
	by transport	7,584	9,298	11,630	10,276
	for technological purposes	2,391	267	285	265
	for energy generation	10,173	9,045	10,009	8,947
2	**Generation of electric and heating power at renewable energy sources, including:**	**3,111**	**2,964**	**4,066**	**4,589**
	electricity	3,110	2,962	4,065	4,588
	heat[1]	0.5	0.5	0.6	0.6
3	**Purchase of energy, including:**	**10,311**	**1,927**	**951**	**792**
	electricity (excluding purchases at Wholesale Electricity and Capacity Market for 2023 and 2024)	9,099	1,710	735	586
	heat	1,212	217	216	206
4	**Energy sold to third-party consumers[2], including:**	**12,047[3]**	**3,318**	**2,908**	**3,216**
	electricity	n/d	n/d	571	886
	heat	n/d	n/d	2,337	2,330
Total energy consumption (including from renewable sources) (1+2+3-4)		**21,522**	**20,183**	**24,032**	**21,653**

GRI 302-1 GRI 14.1.2

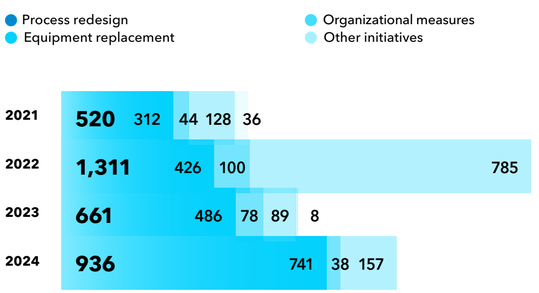
ALROSA Group's consumption of fuel from non-renewable sources TJ

TYPE OF FUEL	2021	2022	2023	2024
Diesel fuel	7,889	8,848	9,495	9,549
Heavy oil	1,077	1,168	1,145	1,298
Natural gas	7,570	6,445	8,831	6,083
Oil	880	818	914	905
Aviation fuel	2,161	1,313	1,259	1,321
Other	293	350	312	331

GRI 302-4

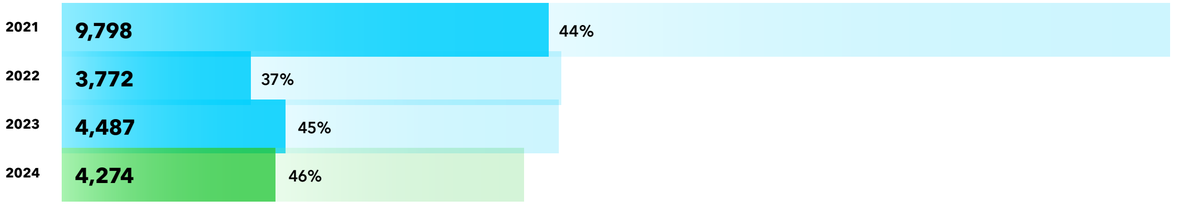
Thanks to energy saving initiatives, the Company saved 936 TJ of energy, which is 42% more than in 2023. Energy savings are associated to a greater extent with the optimization of production processes aimed at reducing electricity consumption.

Reduction in energy consumption due to energy saving initiatives across ALROSA Group TJ



MED-22

ALROSA Group's electricity and heat renewable energy consumption and its share in total energy consumption[4] TJ & %



[1] Purchased and self-generated heat is mainly consumed in the form of hot water (and an insignificant volume is consumed in the form of steam).
[2] The indicator for 2021 includes electricity and heat (in the form of hot water) sold to third-party consumers.
[3] The value of the indicator differs from that published in the Sustainability Report 2022, since the energy consumption calculation formula does not take into account the production and sale of natural gas in accordance with the GRI 302-1 approach.
[4] Almost all renewable energy consumed is hydropower. ALROSA Group does not use biofuel.



NEXT STEPS

In 2024, ALROSA approved its plans for 2025–2029.

EN1
Reducing the carbon footprint of diamond production

Plans under the new 2029 Sustainability Programme

TARGET	PLANS UNDER THE PROGRAMME
Achieving at least a 6% reduction in direct and indirect energy-related greenhouse gas emissions (Scope 1 and 2) compared to the 2023 level by 2030	■ Preparation and verification of ALROSA Group's annual report on greenhouse gas emissions and removals ■ Independent diagnostic assessment (analysis) of ALROSA Group Climate Strategy and preparation of a list of recommendations concerning its updates
Ensuring the intensity of GHG emissions intensity at the Diamond Mining and Processing Operations of not more than 0.0088 tons of CO_2-equivalent per m^3 of rock by 2030 (with an annual decrease by 5% starting in 2025)	
Achieving the carbon neutrality of diamond products by 2030	■ Development of design and engineering documents for the first climate project on carbon dioxide absorption by kimberlite; validation of this project

ENVIRONMENTAL PROTECTION

114 Approach to environmental management
117 Air emissions
118 Use of water resources
123 Waste management
126 Tailings management
129 Land rehabilitation and reforestation
131 Biodiversity conservation



2024 HIGHLIGHTS

ALROSA GROUP APPROVED THE 2035 ENVIRONMENTAL STRATEGY

ALROSA GROUP APPROVED THE 2028 COMPREHENSIVE PROGRAMME FOR ENVIRONMENTAL PROTECTION AND ENVIRONMENTAL SAFETY



Why is it important to ALROSA?

Environmental safety is included in the Company's system of values and is one of its top priorities. ALROSA focuses on reducing the impact on ecosystems, conservation and restoration of the natural environment.
The Company implements best practices in environmental protection and environmental safety.

MATERIAL TOPICS

- Biodiversity and land resources
- Water resources management
- Tailings dam operation

REGULATORY DOCUMENTS

Internal

- 2035 Environmental Strategy of ALROSA Group
- Environmental Policy
- Policy on Protection of Atmospheric Air
- Water Resources Protection Policy
- The Policy on Responsible Consumption and Production (Resource Saving)
- Policy for Land Protection and Remediation
- Flora and Fauna (Biodiversity) Protection Policy
- Comprehensive Programme for Environmental Protection and Environmental Safety
- 2019-2028 Long-Term Disturbed Land Rehabilitation Programme

External

- ISO 14001 Environmental Management Systems
- Intergovernmental and National Resource Saving Standards
- Federal laws and regulations of the Russian Federation

METHODOLOGICAL RECOMMENDATIONS

UN Global Compact Principles

7 8 9

Progress under the 2021–2025 ALROSA Group Sustainability Programme [1]

	TARGET	PROGRESS FOR 2024	PROGRESS SINCE THE PROGRAMME LAUNCH	
EN2 **Ensuring efficient water use and water disposal**	To achieve a 15% reduction in surface water withdrawal intensity compared to the 2019 level by 2025	**0.11 M³/CARAT** (–40% vs 2023, –9% vs 2019)	The surface water withdrawal intensity was reduced by 9% (0.11 m³/carat)	
	To achieve a 7.5% reduction in effluent discharge intensity to surface natural water sources compared to the 2019 level	**1.94 M³/CARAT** (+15% vs 2023, +22% vs 2019)	**1.94 M³/CARAT** (+22% vs 2019)	
EN3 **Ensuring efficient use of resources and responsible production**	To increase the recovered and neutralized industrial [2] and municipal waste intensity by at least 50% compared to the 2019 level	**0.03 T/CARAT** (–83% vs 2023)	**0.03 T/CARAT** (–83% vs 2019)	
	To ensure certification of PJSC ALROSA and its subsidiaries for compliance with ISO 14001 Environmental Management Systems	PJSC ALROSA and two diamond mining and processing subsidiaries confirmed compliance with the standard	PJSC ALROSA and two diamond mining and processing subsidiaries are certified according to the standard	
EN4 **Reclamation of disturbed land and forests, biodiversity restoration**	To achieve a 10% reduction in the annual volume of disturbed lands through rehabilitation activities in the reporting year [3]	**19.6%** reduction in the annual area of abandoned land across ALROSA Group [4]	**5,715 HECTARES** total area of abandoned land across ALROSA Group since 2021	
	To annually reforest an area equal to the deforested area [5]	**698 HECTARES** restored across ALROSA Group (+52% vs 2023) **683 HECTARES** restored across the Diamond Mining and Processing Operations (+52% vs 2023)	**3,168 HECTARES** restored across ALROSA Group **3,100 HECTARES** restored across the Diamond Mining and Processing Operations On average, over the period of the Programme, the annual reforestation area was equal to the deforested area	
	To finance biodiversity conservation and restoration projects on a yearly basis for the amount of no less than RUB 20 million	**RUB 95.8 MILLION** was allocated to biodiversity conservation and replenishment	**RUB 246 MILLION** total expenses for biodiversity conservation and replenishment projects since 2021	

Task completed

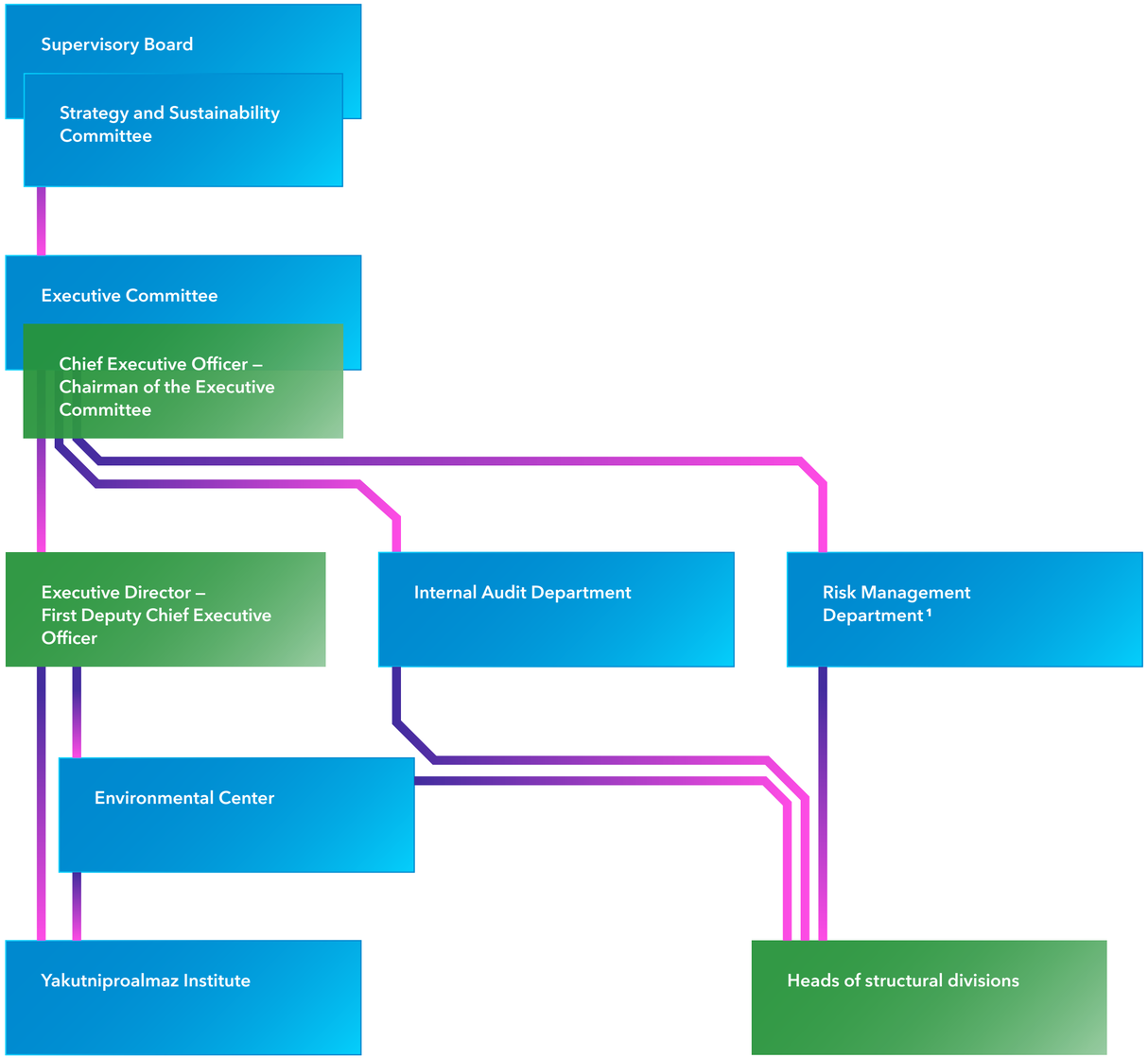
Task included in 2025–2029 Sustainability Programme

Task in progress

Task not completed

[1] The targets cover the Diamond Mining and Processing Operations.
[2] Excluding overburden, rock, tailings.
[3] The indicator was not achieved due to the postponement of the remediation of some of the land areas disturbed during exploration to a later date, as well as due to an increase in disturbed land as a result of developing new license blocks.
[4] Calculated according to the formula (A- (B + C)/(B + C) × 100, where: A – area of abandoned land at the end of the year, B – area of abandoned land at the beginning of the reporting year, C – area of abandoned land formation in the reporting year.
[5] Compensatory reforestation is performed based on felling areas of previous reporting periods.

ALLOCATION OF RESPONSIBILITY



[1] In 2025, the Risk Management Department and the Internal Control and Compliance Department were merged into the Risk Management and Internal Control Department.

Responsibilities of management bodies

BODY	RESPONSIBILITY
Supervisory Board	■ Sets strategic environmental and climate change objectives (including approval of strategic documents) and oversees their implementation
Strategy and Sustainability Committee	■ Determines the Company's position on climate change, considers the Company's progress in implementing strategic measures to manage climate risks and reduce emissions ■ Develops recommendations to the Supervisory Board regarding environmental protection and climate change (including identification of strategic goals)
Executive Committee	■ Approves the Environmental Policy ■ Oversees the implementation of the environmental safety and environmental protection strategy and measures to manage climate risks
Chief Executive Officer – Chairman of the Executive Committee	■ Assesses the environmental management system performance ■ Organizes the development of environmental protection measures and oversees compliance with laws ■ Bears responsibility for achieving goals and implementing measures to manage climate risks and reduce emissions
Executive Director – First Deputy Chief Executive Officer	■ Ensures compliance of operations with environmental laws, the Environmental Policy and standards ISO 14001:2015 and GOST R ISO 14001-2016 ■ Prevents administrative and financial risks related to environmental protection
Environmental Center	■ Develops environmental and climate change standards, programmes, regulations and plans ■ Develops environmental regulations and receives environmental permits, prepares statutory reports ■ Identifies the most important pollutants and factors having a negative impact on the environment ■ Exercises industrial environmental control and organizes environmental monitoring, oversees the implementation of instructions received as a result of audits ■ Implements environmental measures, including socially important ones ■ Consolidates the portfolio of projects related to the climate agenda ■ Assesses GHG emissions, analyzes GHG emission reductions achieved as a result of implemented measures
Yakutniproalmaz Institute	■ Studies the composition of natural water, wastewater, soils, bottom sediments, industrial emissions into the atmosphere, atmospheric air, physical factors of the production environment
Risk Management Department [1]	■ Assesses environmental and climate risks ■ Coordinates the risk management process, aggregates information on environmental and climate risks ■ Submits risk reports to the Executive Committee and the Supervisory Board
Internal Audit Department	■ Performs an internal independent assessment of the efficiency of the risk management system (including environmental and climate risks)
Heads of structural divisions	■ Bear responsibility for the implementation of environmental protection and climate risk management measures

Approach to environmental management

GRI 3-3

ALROSA's production processes, which include exploration and mining, rough diamond processing, and the use of special service vehicles, have a negative environmental impact of varying degrees. To monitor the state of ecosystems, ALROSA performs impact assessment, including through testing of water, soil, atmospheric air and waste.

The main regulatory document in the area of environmental protection is the Environmental Policy. It defines ALROSA's guidelines and a list of practical measures to protect the environment. In the reporting year, the Company also approved the Environmental Strategy to enhance existing measures to preserve and restore the natural environment.

In 2024, ALROSA approved a new Comprehensive Programme for Environmental Protection and Environmental Safety for 2024–2028. The strategic document includes ten areas related to the sustainable use of natural resources, minimization of environmental risks, prevention and reduction of negative environmental impacts in the regions of presence. When preparing the Programme, ALROSA took into account the results of assessing environmental risks, industrial environmental control and monitoring, as well as recommendations from the scientific and expert community. The Comprehensive Programme for Environmental Protection and Environmental Safety was agreed with the Ministry of Ecology, Nature Management and Forestry of the Republic of Sakha (Yakutia).

MED-10 MED-21

In the reporting year, the total amount of expenses for environmental measures across the Company amounted to RUB 11.4 billion, which is 7% more than in 2023. Waste management and land, surface and groundwater protection and rehabilitation activities account for the largest share of costs, as in the previous year.

The Company's enterprises are certified according to ISO 14001:2015 Environmental Management Systems (GOST R ISO 14001-2016). The certification covers the processes of diamond mining and ore treatment, transportation, sale of products, exploration and construction works[1]. In 2024, based on the results of external audits, the Company confirmed the compliance of the environmental management system with the requirements of the standard at all previously certified enterprises.

The Company assesses the performance of the corporate Environmental Center on an annual basis. Based on 2024 results, the Environmental Center was rated at 8.46 (out of 10). The recommendations obtained following the assessment will be taken into account in the Environmental Center's operations in 2025.

For more details on environmental risks, see the Sustainability risks and opportunities management section.

ALROSA Group's environmental costs RUB million



APPROACH TO ENVIRONMENTAL RISKS MANAGEMENT

ALROSA has integrated environmental risk management into the corporate risk management system. Environmental compliance risks were assessed for the first time in 2024 in accordance with the Company's internal methodology. Based on the assessment results, an action plan was prepared to reduce the likelihood of risks and their impact.

As part of developing the Environmental Strategy, the Company analyzed environmental risks for ALROSA Group's priority assets. The analysis of more than two hundred facilities identified:

- the main risks that could lead to environmentally adverse consequences and the factors behind these risks;
- probability of the environmental risk;
- environmental implications;
- amount of damage;
- risk mitigation measures.

GRI 306-3

In order to prevent and mitigate risks, ALROSA regularly performs environmental monitoring and conducts the necessary study of environmental components. If deviations from the established standards are identified, the Company develops corrective measures, including measures to prevent repeated non-compliance. No deviations or environmental incidents, including spills, were recorded in the reporting year.

In accordance with the legal requirements, the Company is constantly updating information on facilities with a negative environmental impact. At the end of the reporting year, the Company had 366 facilities with a negative environmental impact. Acceptable emissions standards and production environmental control programmes were agreed for all the facilities.

GRI 2-27

No violations were identified by the supervisory authorities in 2024.

Significant fines and total number of non-financial sanctions

INDICATOR	2021	2022	2023	2024
Number of fines for non-compliance with environmental laws and regulations	15	2	1	0
Total fines paid RUB thousand	1,682	250	153	0
Number of instructions based on results of Rosprirodnadzor inspections	8	0	2	0
Number of violations eliminated	5	0	2	–

[1] The certification covers PJSC ALROSA and two diamond mining and processing subsidiaries in the Republic of Sakha (Yakutia) and the Arkhangelsk Region.

STAKEHOLDER ENGAGEMENT ON ENVIRONMENTAL ISSUES

To promote cooperation with stakeholders in environmental protection, ALROSA implements the following practices:

- training programs for employees;
- development of business relations with suppliers to ensure high legal and ethical standards;
- consideration of requests from the communities and implementation of monitoring measures, if necessary;
- holding public hearings in accordance with legal requirements;
- strengthening partnerships with the authorities and other organizations.

Environmental education and training for employees

ALROSA regularly holds environmental awareness raising and competencies improvement events for employees. The training program includes both mandatory courses in accordance with legal requirements and additional training program. To organize the training process, the Company uses its internal resources and engages external experts.

To increase employee engagement in the Company's environmental activities, ALROSA regularly holds environmental awareness raising events. In the reporting year, in Mirny and Udachny, the Company's employees, together with residents of the districts, held clean-up days as part of the annual Let's Do It! campaign.

347
ALROSA employees
RECEIVED TRAINING UNDER ENVIRONMENTAL PROTECTION PROGRAMMES IN 2024

Fostering environmentally responsible behavior in the supply chain

GRI 308-1

The Company's commitment to cooperation with the environmentally responsible suppliers is set forth in the Supplier Business Ethics Code, while the criteria for selecting sustainable suppliers are set forth in the Policy of Environmental Assessment of Suppliers. The Policy contains an expanded list of the Company's environmental requirements and expectations for suppliers. ALROSA's mandatory environmental assessment criteria are determined taking into account the requirements of Russian laws and include:

- availability of supporting documentation for the declared type of activity;
- compliance of products and services with sanitary, epidemiological and hygienic standards;
- availability of a state environmental expert review of equipment, technology and substances the use of which may have an environmental impact;
- absence of products containing ozone-depleting substances.

In addition, the Company applies optional criteria to suppliers. Optional criteria include suppliers' consistent approach to environmental management, climate change prevention, air protection, energy efficiency and resource saving. When submitting a bid for participation in ALROSA's procurement procedures, participants complete a self-assessment questionnaire on certain environmental protection criteria.

According to the results of procurement procedures on external electronic trading platforms, as at the end of the reporting year 1,104 suppliers completed the questionnaire on ESG practices (26% of the total number of suppliers), including 316 new suppliers.

Interaction with local communities, authorities and partners

Pursuant to environmental laws, in 2024 the Company held public hearings on 12 of its projects and received positive feedback.

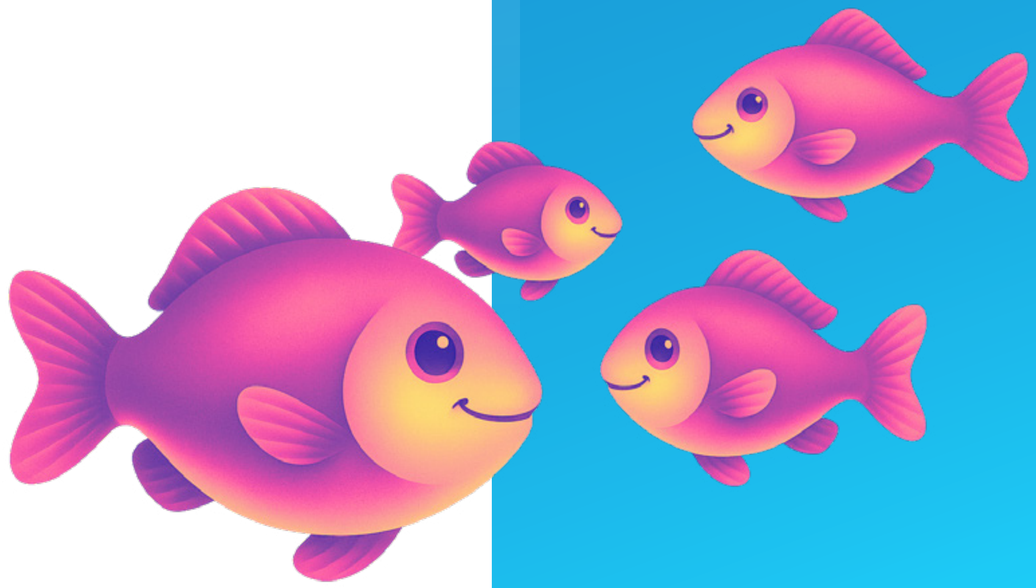
ALROSA considers citizens' requests in accordance with the established procedure and, if necessary, takes corrective measures.

In 2024, employees of the ALROSA Environmental Center organized the contest "The Feathered World of Yakutia" dedicated to the year of birds, and also went to schools to hold environmental events. In addition, ALROSA acts as the general partner of the "Green Pioneers of Yakutia" movement, which brings together more than 8 thousand schoolchildren interested in natural sciences, activists and initiators of clean-up events, campaigns and competitions.

WHAT ALROSA IS PROUD OF

DEVELOPMENT OF COLLABORATION WITH ROSPRIRODNADZOR

In 2024, ALROSA and the Federal Service for Supervision of Natural Resources (Rosprirodnadzor) held a meeting to discuss interaction on law enforcement practices in the field of subsoil waste management. In particular, they covered the specifics of diamond mining and the current conditions of operational waste management at ALROSA. The participants identified further steps to transform and restructure the existing environmental management system.





Implementation of environmental initiatives under the plan of social and environmental activities in 2024

ACTIVITY	2024 RESULTS
"Give Nature Eternity 2.0" photo competition	As the organizer of the competition, the ALROSA Environmental Center accepted photographs on three topics: "Uniqueness of the Native Land," "This Huge Small World", "In the World of Animals". The best photos were selected by popular vote and used to design 2025 calendars. The winners in each category were awarded diplomas and cash prizes.
"All Together 2.0" battery collection campaign	As part of the campaign, the Company installed containers to collect used batteries in several cities of Yakutia. In the reporting year, more than 460 kg of batteries were collected and sent to a specialized organization for recycling.
"OBEREGai Prirodu (Protect the Nature)" environmental campaign to clean water protection zones of rivers and lakes as part of the All-Russian campaign "Water of Russia"	Eight schools of the Vilyui Group of Uluses conducted open lessons and joint clean-up of the water protection zones of the Vilyui River. The company donated mobile laboratories so that children could perform simple biochemical tests of water, air and soil samples. In total, 400 schoolchildren and their teachers took part in the campaign.
"Green Hectare" campaign	Employees of the Environmental Center, together with students of the Mirny Regional Technical College, planted 400 kg of seeds of perennial grass on the territory of the former tailings dam of Processing Plant No. 5. Grass sowing will help increase soil fertility and restore the living environment.
"Green Cycle" campaign (plastic collection and plastic bench manufacturing)	Residents of the town of Mirny collected more than 10 m³ of plastic during the campaign. Sorted plastic was sent for recycling, and five eco-benches from recycled plastic were manufactured and installed in the town.

NEXT STEPS

In 2025, ALROSA intends to:

- perform a diagnostic assessment of the Environmental Strategy and prepare a list of recommendations on its updating.

Air emissions

APPROACH TO EMISSIONS MANAGEMENT

Diamond mining and processing, as well as related activities of the Company's transport, energy and geological exploration units, lead to emissions of pollutants into the air. In case of prolonged exposure and high concentrations, such substances can have a negative impact on the environment and human health.

ALROSA's management of pollutant emissions is governed by the Air Protection Policy, which sets forth the Company's main objectives:

- identification and elimination of hazardous factors leading to fugitive emissions of pollutants into the atmosphere;
- GHG emissions management and reduction;
- prevention of harmful effects on air and improvement of its condition;
- compliance with requirements on maximum permissible air emissions;
- constant monitoring of emission sources.

In order to reduce the level of air pollution, ALROSA continued to implement measures in the main areas of emission reduction in 2024.

ALROSA complies with air protection laws. To control the established emission standards and monitor the current levels of impact, industrial environmental control is performed, under which, among other things, instrumental emissions measurements are carried out.

In order to comply with sanitary and epidemiological rules and standards, ALROSA also measures atmospheric air at the borders of sanitary protection zones and develops new projects of sanitary protection zones in cases stipulated by laws. For this purpose, measurements were taken at 25 of the Company's facilities in 2024.

To ensure timely implementation of measures to reduce emissions in the event of adverse weather conditions, the Company cooperates with the Federal State Budgetary Institution "Hydrometeorological Research Center of the Russian Federation" (Hydrometcenter of Russia)[1]. When forecasts of adverse weather conditions are received from Hydrometcenter, ALROSA takes measures in accordance with the approved plans.

In addition, the Company continues to develop a methodology for calculating air pollutant emissions from stationary sources[2] with the involvement of an external expert organization. Upon completion of the work, the methodology will be sent to the Ministry of Natural Resources and Environment of the Russian Federation for validation and approval.

Emission reduction measures in 2024

AREA	PROGRESS FOR 2024
Reduction of emissions from rough diamonds mining	■ Filtering elements of dust and gas cleaning plants at the Aikhal MPD and the Mirny and Nyurba MPD were replaced. ■ In the summer season, dust suppression measures were implemented at the Aikhal MPD, the Mirny and Nyurba MPD and the Udachny MPD.
Transition to natural gas as a more environmentally friendly type of fuel	■ Construction of the Nakyn Stream gas pipeline branch to ALROSA facilities at the production site of the Nakyn ore field continues, equipment for the gas engine power plant has been purchased. The planned commissioning date is 30 December 2025. ■ The automotive gas filling compressor station in Mirny sold 2.5 billion m³ of natural gas in the form of compressed natural gas (CNG). ■ As part of the technical re-equipment plan, 54 CNG vehicles were purchased.
Use of renewable energy	■ Preparation work was performed to construct the start-up complex of hydraulic unit No. 4 of the Svetlinskaya HPP. ■ The use of solar energy continued at the stopover refueling stations on the winter road.

For more information on transition to gas and renewable energy projects, see the Climate change and energy efficiency section.

MED-19

ALROSA Group's pollutant emissions tons

INDICATOR	2021	2022	2023	2024
Gaseous and liquid substances:	**10,887**	**10,617**	**11,428**	**12,144**
Hydrocarbons (without volatile organic compounds)	2,078	1,587	1,517	1,464
Carbon monoxide	3,719	3,743	3,892	3,428
Nitrogen oxide and dioxide	2,397	2,716	3,430	4,555
Sulphur dioxide	1,859	2,078	2,028	2,135
Volatile organic compounds	349	393	461	460
Other gaseous and liquid pollutants	125	100	101	102
Solid substances (dust, smoke)	**3,966**	**5,095**	**4,480**	**4,322**
Gross air emissions of pollutants	**14,854**	**15,712**	**15,908**	**16,466[3]**

[1] The contract covers 12 facilities with a negative environmental impact located in the Republic of Sakha (Yakutia) and Irkutsk Region.
[2] Drilling, blasting, loading and unloading operations, transportation of rock, dusting of dumps, tailings dams and ore storage facilities.
[3] Of these, 17 tons are emissions of pollutants of hazard classes I and II in 2024.

INDICATORS OF POLLUTANT EMISSIONS

GRI 305-7 GRI 14.3.2

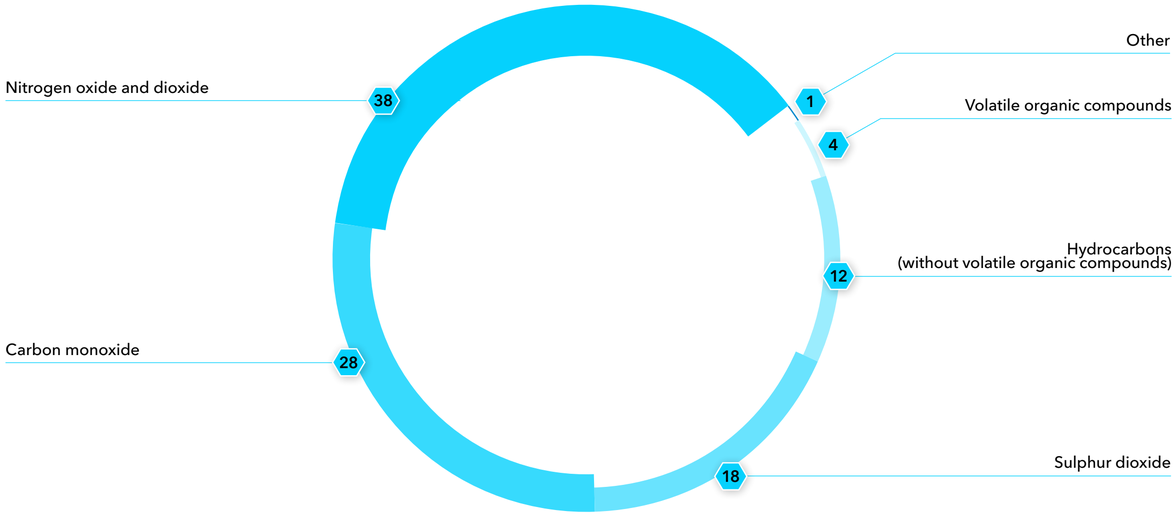
In the reporting year, the Company's gross pollutant emissions amounted to 16,466 tons, which is 4% more than in 2023. The changes are due to an increase in the volume of work at the Lomonosovsky MPD and the construction of a gas pipeline branch to the production facilities of the Nakyn ore field, which leads to an increase in the operating time of the diesel power plant in the village of Nakyn.

Nitrogen oxide and dioxide account for the largest share of the Company's liquid and gaseous emissions – 38%. Due to an increase in emissions from the diesel power plant, the release of nitrogen oxide and dioxide grew by 33% compared to 2023.

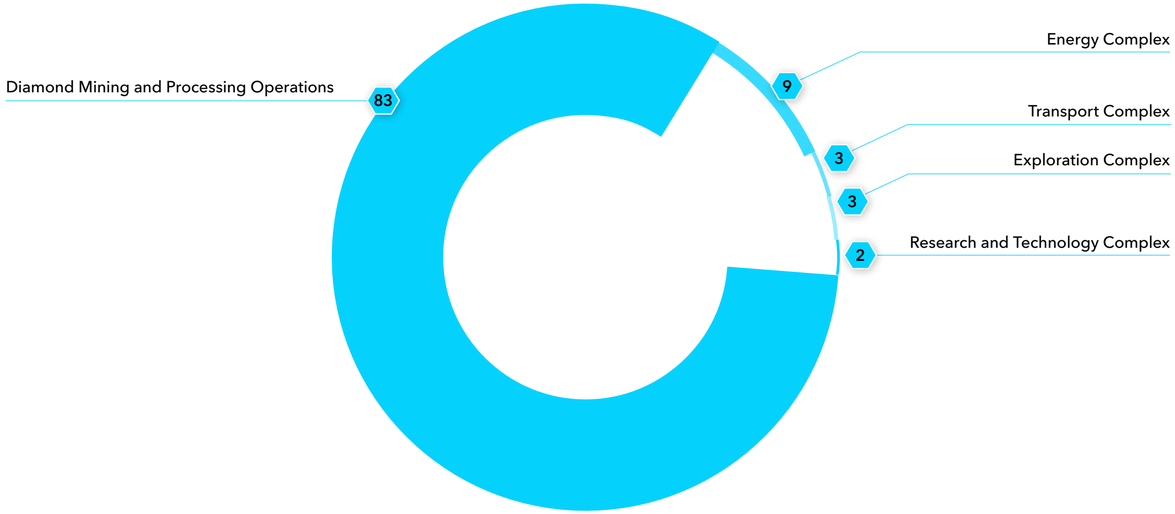
In the reporting year, the inventory of sources of pollutant emissions was adjusted. The inventory report was supplemented with data on emissions of ozone-depleting substances associated with the use of refrigerants. In accordance with legal requirements, the Company will provide a report on such emissions to the Ministry of Natural Resources and Environment of the Russian Federation in 2025.

ALROSA Group's Diamond Mining and Processing Operations account for the largest amount of pollutant emissions. In 2024, its share in the total structure of emission sources was 83%.

Emissions of gaseous and liquid pollutants for ALROSA Group in 2024 % of total gross emissions



Sources of pollutant emissions for ALROSA Group %



Use of water resources

GRI 3-3 GRI 14.7.1

ALROSA withdraws water from surface and underground water bodies of Yakutia and the Arkhangelsk Region. Despite the lack of water shortage in the regions of presence[1], ALROSA takes measures to prevent and minimize the negative impact on water ecosystems.

The Company's water management is governed by the key strategic documents – the Water Resources Protection Policy and the new Environmental Strategy. The documents were developed based on international and national requirements, as well as best industry practices and are aimed at ensuring sustainable water use and protection of water bodies and their water resources.

In addition, when forming the strategy, the Company considers external environmental safety risks. For example, in 2024, as part of research work to study the impact of climate change on ALROSA's activities, water levels in the Irelyakh Reservoir were analyzed. Following the study, recommendations were made to determine the expected average water level in the reservoir and organize preparatory measures, including preparations for the operation of a floating pumping station, equipment for additional water supply sources and a reduction in water withdrawal.

The Company's main measures to reduce water withdrawal in the reporting year were aimed at expanding the utilization of reused and recycled water supply systems in the Company's production processes.

In 2025, ALROSA plans to continue scientific research on the use of recycled water at the MPDs, as well as to purchase equipment for the project to introduce a closed-loop water recycling unit for cooling X-ray tubes for rough diamonds detection.

[1] According to the conclusion of the Ministry of Natural Resources and Environment of the Russian Federation set forth in the draft 2035 Water Strategy of the Russian Federation.

Areas of focus in water protection in 2024

AREAS	2024 RESULTS
Use of recycled water, wastewater, treated wastewater for technological needs	■ interception of flood waters for technological needs at the Aikhal mine and the Irelyakh alluvial deposit; ■ development of technical solutions on the use of a closed cooling circuit for reduction gears and bearings of the wet self-grinding mill at the Aikhal MPD; ■ ensuring the collection of drainage water for partial replacement of clean water at the Udachny MPD, due to which the consumption of clean water is reduced by 15 m³/hour; ■ completion of the transfer of the flocculant preparation station to recycled water. Fresh water consumption is completely replaced with recycled water in the amount of 8 m³/hour. ■ preliminary tests of the water in the tailings dam of the Udachny MPD were performed, contracts were concluded for pilot testing on the demineralization of recycled water in the conditions of the Udachny MPD using the thermal distillation technology, as well as for pilot testing of the mineralized water treatment unit of the Udachny MPD tailings dam on the Novy Stream using the vertical disc osmosis system.
Reduction of unsustainable water use in apartment buildings	■ 17 water metering units were installed in apartment buildings in Mirny; ■ Aikhal settlement is fully equipped with communal water metering devices. In total, 72 metering units were put into operation in 32 apartment buildings of the settlement during the implementation of the programme to reduce the unsustainable use of water.
Upgrade of sewage treatment facilities	■ the biological treatment facilities at the Verkhne-Munskoye deposit and in the Nakyn shift camp were upgraded. The work performed made it possible to improve the quality of wastewater treatment at the facilities and to exclude the use of treated domestic wastewater pond in the settlement of Nakyn.

WATER USE

GRI 303-1 GRI 14.7.2

To meet the technological needs of the enterprises, ALROSA uses water bodies in accordance with the terms of the acquired right to use water. Among other things, the main goals of water use are water withdrawal [1], wastewater discharge [2] and construction and reconstruction of hydraulic structures.

GRI 303-2 GRI 14.7.3

ALROSA withdraws water mainly from surface and underground water bodies, and discharges wastewater into surface freshwater bodies. Wastewater and industrial water discharged by the Company undergo mandatory treatment. For this purpose, ALROSA Group enterprises operate treatment facilities that use biological, physical and chemical treatment methods. The Company withdraws water and discharges wastewater in accordance with the standards established by the permit documentation taking into account the natural specifics of water bodies. ALROSA does not use radioactive substances or aggressive chemicals in the production process, therefore, discharged effluents do not contain pollutants of hazard classes I and II.

To ensure sustainable use of water resources, the Company uses the recycled and reused water supply system. Closed-loop water supply is ensured, inter alia, through the use of a thickening unit. By means of the centrifugal force the unit extracts most of the recycled water from the tailings, the recycled water is then re-used in production processes.

WHAT ALROSA IS PROUD OF

MED-39

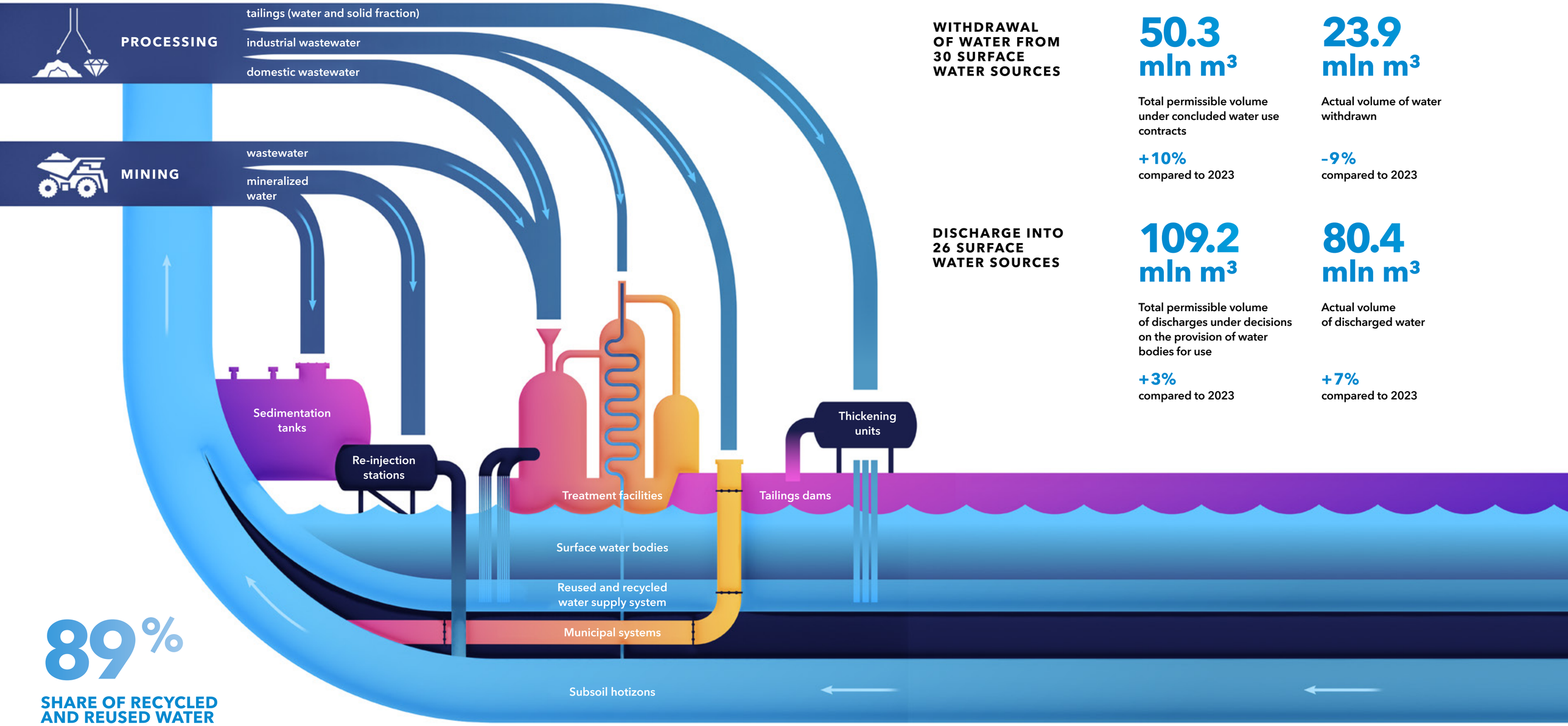
TOP WATER MANAGEMENT COMPANIES

At the end of 2024, the RAEX rating agency conducted an analysis of the companies' performance in terms of rational use of water resources. According to the study, ALROSA was included in the group of leaders – Group 1: "a very high level of water management."



[1] The main water bodies where the Group withdraws water are the Chuonalyr River, the Malaya Botuobia River, the Irelyakh River, the Severnaya Vaizitsa River, the Bolshaya Kuonamka River, the Ebelyakh River, the Molodo River, the Daldyn River, the Sytykan River, the Lena River; Lake Sis-Kuel and Lake Samoyedskoe; the reservoir of the Markha River, the reservoir of the Vilyui River, the buffer reservoir of the Hannya River.
[2] The main water bodies where the Group discharges wastewater are the Sokhsolookh River, the Irelyakh River, the Molodo River, the Talakhtaakh River, the Ebelyakh River, the Zolotitsa River, the Daldyn River, the Lena River, the Vilyui River, tributary of the Dyulyung Otuu Stream and the Bezymyanny-3 Stream.

Water flow diagram



89%

SHARE OF RECYCLED AND REUSED WATER

Water withdrawal and discharge

WITHDRAWAL OF WATER FROM 30 SURFACE WATER SOURCES

50.3 mln m³

Total permissible volume under concluded water use contracts

+10%
compared to 2023

23.9 mln m³

Actual volume of water withdrawn

-9%
compared to 2023

DISCHARGE INTO 26 SURFACE WATER SOURCES

109.2 mln m³

Total permissible volume of discharges under decisions on the provision of water bodies for use

+3%
compared to 2023

80.4 mln m³

Actual volume of discharged water

+7%
compared to 2023

WATER USE INDICATORS

GRI 303-1

In the reporting year, ALROSA Group's water withdrawal amounted to 26.9 million m³, which is 10% less than in 2023. The reduction in water withdrawal is due to the implementation of measures aimed at reducing water consumption. The structure of water withdrawal sources has not changed compared to the previous year: surface and underground water bodies account for 89% of the total water withdrawal and municipal water supply systems account for 11%.

Water consumption for production needs fell by 4% due to the implementation of measures aimed at reducing water consumption. 4.7 million m³ and 7.8 million m³ of water were allocated for household and other needs, respectively.

MED-14

Due to the measures taken to use recycled water in production processes, the share of reused and recycled water[2] was up by 1% to 89% in the reporting year.

Total water consumption fell from 253 million m³ to 248 million m³ due to the implementation of measures aimed at reducing water consumption.

GRI 303-4

Due to the discharge of wastewater from storage tanks at one of enterprises of ALROSA Group, the total volume of water disposal increased by 7% in 2024. Most wastewater (almost 99%) is discharged into surface water bodies.

MED-16

Specific water withdrawal in the reporting year was 0.11 m³/carat, which is 40% less than in 2023, and specific water discharge was 1.94 m³/carat, which is almost 7% more than in the previous year. The changes are due to reduced water withdrawal and increased water disposal.

Due to an increase in the volume of water disposal, in 2024 the volume of pollutant discharges into water bodies increased from 17 to 20 thousand tons.

WHAT ALROSA IS PROUD OF

COMPREHENSIVE PROJECT TO CREATE A HIGH-TECH WATER TREATMENT SYSTEM

At the end of 2023, ALROSA, together with the Northern (Arctic) Federal University named after M. V. Lomonosov summed up the results of the first year of the project to create a high-tech system for the treatment of recycled water with the processing of waste into marketable products. The project was implemented as part of the national project "Science and Universities."[1] The scientific and practical results obtained were highly appreciated by the Company and became the basis of technological and design solutions for the next stage of R&D in 2024.

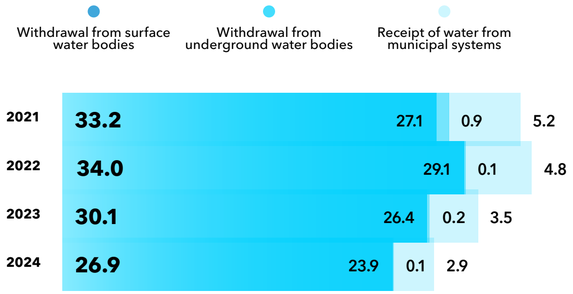
A specialized laboratory complex was created in the Northern (Arctic) Federal University named after M. V. Lomonosov, which makes it possible to conduct research related to the study of saponite-containing waste generated during diamond mining. Recovery and reuse of such waste will enable the Company to ensure environmentally safe warehousing and storage of large volumes of diamond mining by-products. Upon completion of the project, ALROSA plans to obtain clarified water with the required content of suspended substances, saponite-containing powdered mineral additive in concrete and granular saponite-containing mineral fertilizers.

In 2024, as part of the project, the Company commissioned a complete recycled water clarification unit at the processing plant of the Lomonosovsky MPD and completed pilot tests on the preliminary treatment of recycled water.

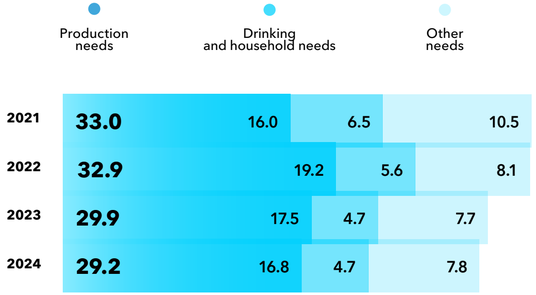
GRI 306-2

GRI 303-3

Water withdrawal million m³



Water consumption (excluding reused and recycled water)[3] million m³



Reused and recycled water supply million m³ and % of total water consumption



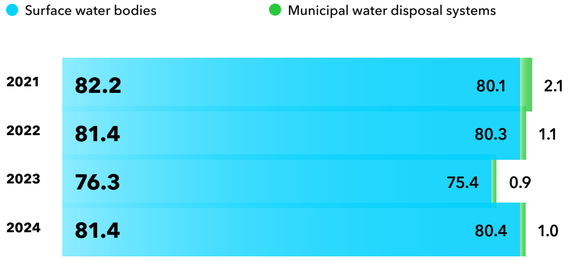
MED-13

Total water consumption[4] million m³



[1] Resolution of the Government of the Russian Federation No. 218 of 9 April 2010 "On measures of state support for the development of cooperation of Russian educational institutions of higher education, state scientific institutions and organizations of the real sector of the economy in order to implement comprehensive projects to create high-tech production facilities" is aimed at developing scientific and industrial cooperation and determines the procedure for subsidizing enterprises which commission research, development and technological work in scientific institutions and educational institutions of higher education to subsequently integrate the results into their own innovative production.
[2] The indicator is calculated using the formula: total reused and recycled water / total water consumption × 100.
[3] Other needs include: agricultural, losses during transportation, transfer without use, etc. The indicator includes the use of water for production needs from storage tanks and natural inflow.
[4] The indicator includes reused and recycled water, as well as water withdrawal from sources.

Wastewater disposal million m³



Specific water withdrawal from surface water bodies
m³/thousand carat



Specific water discharge into surface natural water bodies
m³/carat



Discharge of pollutants into water bodies thousand tons





NEXT STEPS

EN2
Ensuring efficient water use and water disposal

Plans under the new Sustainability Programme up to 2029

TARGET

To achieve a 14% reduction in surface water withdrawal intensity compared to the 2023 level by 2030

To ensure the specific water withdrawal from surface natural sources of no more than 0.065 m³/m³ of rock mass by 2030 (with an annual decrease of 10% starting from 2025)

To ensure the share of recycled and reused water at the level of at least 96% annually

PLANS UNDER THE PROGRAMME

To continue the implementation of measures to increase the use of recycled water, including water from tailings dams and storage tanks, mining and open-pit water, treated wastewater for technological needs of open-pit mines, underground mines, and processing plants

Waste management

GRI 306-1 GRI 306-3 GRI 14.5.2 GRI 14.5.4 MED-17

ALROSA's production and business activity leads to the generation of production and consumption waste of hazard classes I–V[1]. Waste generated as a result of mining and processing (overburden and tailings) accounts for most of the Company's waste and is practically non-hazardous to the environment. However, the processes of storage and landfilling of industrial and household waste are accompanied by environmental risks associated with pollution of water bodies, soil and deterioration of the sanitary and epidemiological situation. To minimize such risks, ALROSA is constantly improving its production processes aimed at sustainable waste management.

The Policy on Responsible Consumption and Production (Resource Saving) is the Company's key regulatory document on waste management. It sets forth ALROSA's key goals, objectives and principles aimed at resource saving and responsible production and consumption.

The generated waste is recovered, neutralized and disposed by Company in accordance with legal requirements, both independently at its own facilities and by engaging third-party organizations[2]. In order to establish the hazard class of generated production and consumption waste, ALROSA determines the composition of such waste. In the reporting year, the Company biotested 22 waste samples and prepared 29 waste certificates.

The process of collecting and recording data on waste is regulated by laws, internal standards, as well as instructions on waste management and primary accounting. In each structural division of ALROSA, persons responsible for keeping waste logs have been appointed. All data are consolidated on a quarterly basis and submitted to Rosprirodnadzor on an annual basis.

Specialists of the mine surveying and geological units of the Company's structural divisions, the Production Planning Department and the Environmental Center are in charge of mining waste management. Mine surveyors service perform initial control and record the implementation of the mining plan, while geologists process the data received. Based on these data, specialists of the Environmental Center keep records for further analytics and preparation of reports on waste management.

Inspections with regard to waste management are performed by the industrial environmental control group. Based on the results of field audits, the Company takes measures to eliminate and prevent violations.

Efficient waste management measures

GRI 306-2 GRI 14.5.3

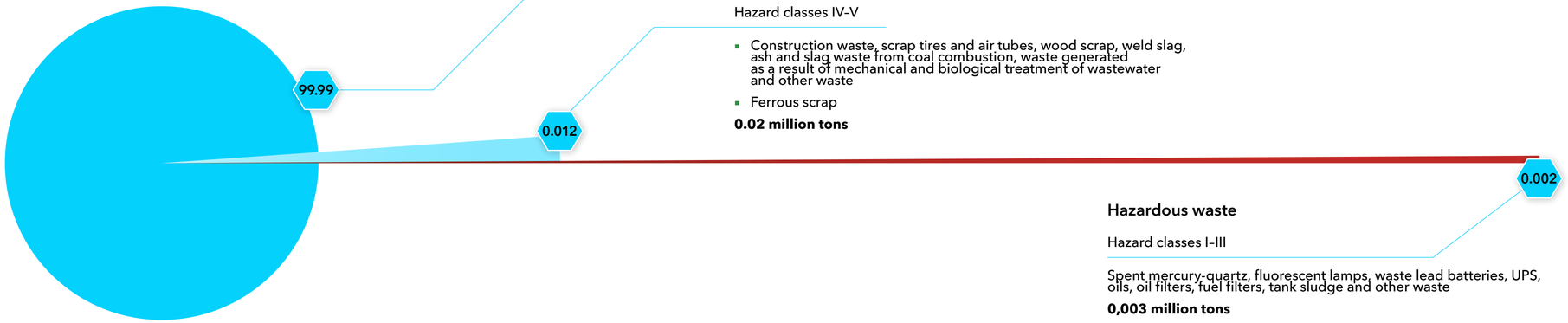
ALROSA strives to reduce waste disposal and increase the share of waste reuse. In 2024, the Company continued to replicate selective waste collection practices at production sites, and entered into new contracts for recycling certain categories of waste.

In addition, thanks to the social and environmental campaigns that the Company conducts in the cities of presence, waste batteries and plastic waste are not sent for landfilling, but are recycled by specialized organizations.

For more details on the social and environmental measures taken in 2024, see the Approach to environmental management section

186.26
million tons
OF WASTE GENERATED IN TOTAL

Waste generation in 2024 by hazard classes[3], %



Non-hazardous waste

Mining waste

Waste from mining rough diamonds (overburden) and processing of diamond-containing ore (tailings)

186.24 million tons

Hazard classes IV–V

- Construction waste, scrap tires and air tubes, wood scrap, weld slag, ash and slag waste from coal combustion, waste generated as a result of mechanical and biological treatment of wastewater and other waste
- Ferrous scrap

0.02 million tons

Hazardous waste

Hazard classes I–III

Spent mercury-quartz, fluorescent lamps, waste lead batteries, UPS, oils, oil filters, fuel filters, tank sludge and other waste

0,003 million tons

[1] The classification is given in accordance with the provisions of Federal Law No. 89-FZ "On Production and Consumption Waste.".
[2] Organizations engaged in the provision of services provide documents confirming compliance with regulatory requirements.
[3] Hereinafter hazardous wastes include wastes of hazard class I, II and III.

WASTE GENERATION AND MANAGEMENT INDICATORS

GRI 306-3 GRI 14.5.4 MED-17

In 2024, 186.3 million tons of waste were generated, of which almost 160.9 million tons were overburden, and 25.3 million tons were tailings. The increase in the mass of waste generation by 17% compared to the previous year is due to changes in ALROSA's production programme. For the same reason, the volume of hazardous waste was up by 8%. The specific volume of waste generated amounted to 0.76 thousand tons/RUB million of revenue.

GRI 306-4 GRI 306-5 GRI 14.5.5 GRI 14.5.6 MED-18

The total amount of waste recovered in the reporting year was 6.04 million tons, of which 6 million tons were rock waste (4.5 million tons – overburden [1], 1.5 million tons – tailings). The 63% decrease in the total amount of recovered waste was caused by changes in approaches to its accounting, which in turn resulted from changes in environmental laws in respect of overburden accounting [2]. The share of recovered waste in the total amount of waste generated (including mining waste) was 3%, including 99.89% of mining waste.

In the reporting year, the amount of recovered waste, excluding mining waste, amounted to 6,856 tons (an increase of 33% compared to 2023), their share in the total amount of waste generated [3] reached 30%.

The total amount of disposed waste increased from 147 million tons to 180 million tons (by 23% compared to 2023), which is due to the exceeding of the mining plan. Overburden accounts for almost 87% (156.7 million tons) of the mass of disposed waste, while tailings account for 23.8 million tons. Most of the waste (99.9%) is disposed of at the Company's facilities.

The specific volume of waste recovery in the reporting year grew by 22% to 0.22 tons/carat.

12.1
thousand tons/ thousand m³ of rock mass

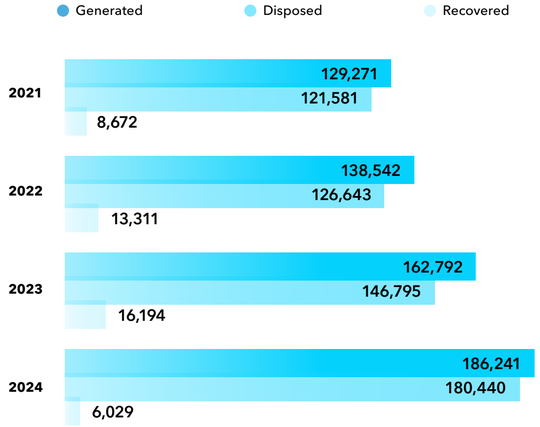
SPECIFIC MASS OF PRODUCTION AND CONSUMPTION WASTE OF HAZARD CLASSES I–V (EXCEPT FOR MINING WASTE)



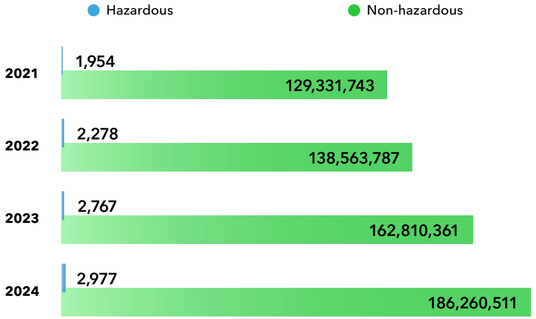
Areas of focus in waste management in 2024

AREA	2024 MEASURES	RESULTS
Reduction in waste generation	■ Implementation of organizational measures to improve the efficiency of operations ■ Use of mud and sludge from treatment facilities as a fertilizer for remediation ■ Improvement of the production and consumption waste management system	Waste generation decreased by 1,505 tons
Reduction in waste for disposal	■ A calculator has been developed to determine the weight of containers and packaging waste taking into account new procurement requirements on the types of containers and packaging ■ Separate collection of cardboard and packaging is organized at all production sites ■ Contracts were concluded for the recycling of used tires and household appliances ■ Waste oils are used to generate thermal energy ■ Research to implement a project to recycle waste (saponite) into marketable products continued	1,499 tons of used oils and 844 tons of used tires and tire casings were sent for recycling

Mining waste management thousand tons



Total waste generated [4] tons



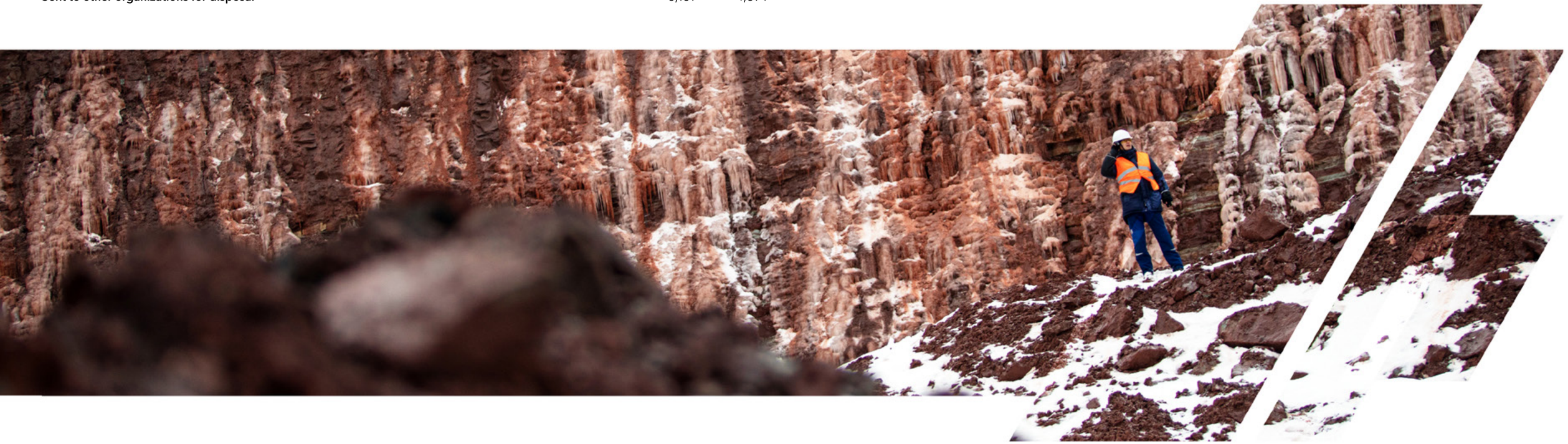
[1] Pursuant to the provisions of Federal Law No. 2395-1 "On the Subsoil," overburden used in accordance with the approved technical projects is removed from the category of production and consumption waste when preparing 2-TP Waste reporting for 2024.
[2] The volume of overburden used for production goals and objectives is no longer recognized as waste from subsoil use.
[3] Excluding mining waste.
[4] The total amount of non-hazardous waste for 2021 and 2022 was adjusted to eliminate the identified inaccuracies.

Volume of waste by type of waste management (excluding mining waste) tons

TYPE OF WASTE MANAGEMENT	2021	2022	2023	2024
Recovery	4,027	4,731	5,173	6,856
Neutralization	681	998	1,620	1,194
Disposal at own facilities	–	–	780	982
Sent to other organizations for disposal	–	–	8,139	1,894

Specific volume of recovered and neutralized production waste of the Diamond Mining and Processing Operations tons/carat





NEXT STEPS

Plans under the new Sustainability Programme up to 2029

EN3
Ensuring efficient use of resources and responsible production

TARGET

To ensure the specific mass of production and consumption waste of hazard classes I–V (except for mining waste) by 2030 at the level of no more than 0.0002 tons/m³ of mined rock mass

PLANS UNDER THE PROGRAMME

- To implement measures to re-use packaging of materials and goods

Tailings management



Why is it important to ALROSA?

ALROSA's production efficiency directly depends on effective tailings management. Optimized use of production facilities, reduction of operational risks and improvement of processing efficiency become possible thanks to the well-planned management of mining waste. Effective tailings management helps the Company to ensure the necessary environmental and social safety in the regions of presence.

MATERIAL TOPICS

- Tailings dam operation

METHODOLOGICAL RECOMMENDATIONS

REGULATORY DOCUMENTS

Internal

- Tailings Dam Management Standard
- Hydraulic structures operation manual

External

- Global Industry Standard on Tailings Management
- Federal laws and regulations of the Russian Federation

Responsibilities of management bodies

BODY	RESPONSIBILITY
Heads of structural divisions	■ Organization of the Tailings Management System ■ Preparation of an annual report on the results of hydraulic structures monitoring and measures taken for safe operation of hydraulic structures
Tailings facility of a structural division	■ Organization of tailings storage in a sedimentation pond ■ Continuous support of the technological processes of recycled water supply, hydrotransport and deposition of tailings ■ Safe operation of facilities and structures constituting the hydraulic structure of a structural division
Monitoring Department of the hydraulic structure of a structural division	■ Organization of a system of ongoing visual and instrumental observations to obtain high-quality and reliable information on the condition of hydraulic structures ■ Analysis and assessment, as well as forecasting of the safe condition of hydraulic structures
Chief Engineer of a structural division	■ Approval of a single plan of inspections and control procedures at the hydraulic structure of a structural division ■ Operational risk management at hydraulic structures
Chief Engineer of PJSC ALROSA	■ Approval of a single plan of inspections and control procedures at hydraulic structures of structural divisions ■ Approval of the internal audits schedule for processes related to hydraulic structures
Risk Management Department[1], Deputy Chief Engineer for Hydraulic Structures, Yakutniproalmaz Institute, Chief Engineers of MPDs and their deputies	■ Operational risk management at hydraulic structures ■ Development and implementation of risk mitigation measures ■ Monitoring and aggregation of risk-related information
Independent Expert Center (accredited by Rostechnadzor)	■ Expert review of the hydraulic structures safety declaration ■ Expert review of the annual report on hydraulic structures monitoring results

[1] In 2025, the Risk Management Department and the Internal Control and Compliance Department were merged into the Risk Management and Internal Control Department

GRI 3-3 GRI 306-2 GRI 413-2 GRI 14.5.3 GRI 14.6.1 GRI 14.6.3 GRI 14.10.3

One of the components of the Company's production process is hydraulic structures operation. ALROSA disposes of processing waste (tailings) generated during mining operations at special equipped sites – tailings dams. Ensuring a high level of safety and the absence of incidents and accidents is the Company's priority task when operating tailings dams.

The Company's hydraulic structures, except for the tailings dam of the Lomonosovsky MPD, are located in the permafrost zone, which determines the specifics of their operation and risk management in relation to engineering structures. ALROSA's tailings dams are extremely high (class I) and high (class II) hazard facilities[1] and are owned and managed by the Company.

When operating hydraulic structures, ALROSA complies with the requirements of Russian laws and the recommendations set forth in the Global Industry Standard on Tailings Management. The Company's approach to organizing the tailings dams management system and ensuring their safety is set forth in the Tailings Dam Management Standard.

Ensuring a high level of safety during the operation of tailings dams is achieved through continuous control over compliance with design solutions and safety requirements, and by maintaining the necessary qualifications of ALROSA employees. Hydraulic structures operation and monitoring services are organized at the level of the Company's structural divisions. ALROSA performs a review of the effectiveness of the tailings management system in accordance with the plans of inspections and control procedures both at the level of structural divisions and at the level of the Company. The performance of all hydraulic structures is assessed as part of audits of internal three-stage production control, as well as tailings dams technical audits by independent expert organizations. KPIs of employees responsible for hydraulic structures management include indicators of safe functioning of these facilities, in particular the absence of hydrodynamic failures at them.

ALROSA assesses the risks of tailings dams operation as part of the hydraulic structures safety declaration at least once every five years (taking into account the effective term of the hydraulic structures safety declaration), and if significant deviations from the established safety criteria are identified or according to the instructions of Rostechnadzor, prompt measures are taken to bring the facilities into working order and eliminate non-compliance. Risk assessment is performed by a specialized design organization. The Company submits the results of the assessment to the Ministry of Environment, Natural Resources and Forestry of the Republic of Sakha (Yakutia) for approval. Subsequently, as part of the hydraulic structures safety declaration, the results of the risk assessment are reviewed by an independent expert center accredited by Rostechnadzor. In 2024, as part of mandatory external audits, the safety declaration of the hydraulic structure of the tailings dam at Processing Plant No. 14 of the Aikhal MPD was approved.
In the reporting year, no violations of tailings dams safety criteria, emergencies or incidents were recorded at the Company's tailings dams.

ALROSA's hydraulic structures as at 31.12. 2024

HYDRAULIC STRUCTURE	LOCATION	TYPE BY CONSTRUCTION METHOD	STATUS	MAXIMUM PERMITTED CAPACITY MILLION TONS	TOTAL ACCUMULATED WEIGHT OF TAILINGS MILLION TONS	HYDRAULIC STRUCTURE CLASS	DATE AND RESULTS OF THE LATEST INDEPENDENT EXPERT ASSESSMENT
Hydraulic structure of Processing Plant No. 3, stage 3, Mirny and Nyurba MPD	Republic of Sakha (Yakutia)	Upstream	Active facility	150.67	86.55	I	April 2024
Hydraulic structure of the tailings dam of Processing Plant No. 14, Aikhal MPD	Republic of Sakha (Yakutia)	Upstream	Active facility	295.5	260.87	I	June 2024
Hydraulic structure of the tailings dam of Processing Plant No. 8, Aikhal MPD	Republic of Sakha (Yakutia)	Upstream	Inactive facility (preparation for liquidation)	54.6	47.07	II	June 2024
Hydraulic structure of the tailings dam at the Pravy Kieng Stream, stage 2, Processing Plant No. 12, Udachny MPD	Republic of Sakha (Yakutia)	Upstream	Active facility	315.12	212.81	I	October 2024
Hydraulic structure of the tailings dam at the Novy Stream, Udachny MPD	Republic of Sakha (Yakutia)	Upstream	Active facility	272.41	224.01	I	October 2024
Hydraulic structure of the tailings dam, stage 1, processing Plant No. 16 with sections of the Mirny and Nyurba MPD	Republic of Sakha (Yakutia)	Upstream	Active facility	21.05	20.11	II	April 2024
Hydraulic structure of the tailings dam with recycled water supply to the Lomonosovsky MPD start-up complex	Arkhangelsk Region	Upstream	Active facility	96.2	32.1	II	September 2024

[1] Classification in accordance with the laws of the Russian Federation

Areas of focus in tailings dam operation in 2024

AREA	MEASURES	RESULTS
Reinforcement of hydraulic structures	■ The slopes of the tailings dam at Processing Plant No. 3, stage 3, Mirny and Nyurba MPD, were reinforced ■ Pilot testing of a section of the anti-seepage screen of the tailings dam at Processing Plant No. 14 of the Aikhal MPD was performed, the left side of the tailings dam was reinforced, and some areas of the tailings dam seepage were closed ■ The anti-seepage screen of the tailings dam at the Pravy Kieng Stream, stage 2, Processing Plant No. 12, Udachny MPD, was reinforced	■ The hydraulic structure safety was improved ■ Seepage costs were significantly reduced (in half compared to the indicator at the beginning of 2023) at the tailings dam on the Pravy Kieng Stream
Implementation of automation programmes	■ Maintenance of the automated monitoring system, calibration and restoration of malfunctioning individual system elements	■ All planned measures to automate wireless monitoring systems at hydraulic structures were implemented
Recycled water accumulation volumes were optimized	■ The pilot operation of the reinjection unit on the Tymtaidakh Stream continued ■ The tailings dam of Processing Plant No. 8, Aikhal MPD, was drained ■ Implementation of the second stage of the project to organize a complex for recycled water treatment for the needs of the Lomonosovsky MPD processing plant began	■ The volume of mineralized water in the tailings dam of Processing Plant No. 3, stage 3, Mirny and Nyurba MPD, was reduced by 1.05 million m³ ■ The residual volume at the tailings dam of Processing Plant No. 8 of the Aikhal MPD – 210.0 thousand m³ on an area of 2.37 million m², which is 10% less than in 2023 ■ Implementation of the project will reduce the consumption of clean water and increase the service life of the Lomonosovsky MPD's tailings dam
Increase in free tailings storage capacity	■ The implementation of a project involving reconstruction of the tailings dam, expansion of the area and volume of tailings storage, construction of a new stream diversion channel, installation of a transformer substation, and the organization of a hydraulic transport system began at Processing plant No. 12 of the Udachny MPD ■ Map No. 4 of the Lomonosovsky MPD tailings dam to 140.0 m was put into operation ■ Engineering and hydrometeorological, engineering and geodetic and a number of engineering and geological surveys were performed for the reconstruction project of the tailings dam of Processing Plant No. 14 of the Aikhal MPD	■ In accordance with the design of Processing Plant No. 12 of the Udachny MPD, it is planned to increase the free volumes for tailings storage by 51.7 million m³ ■ Additional volumes of more than 7 million m³ were created at the Lomonosovsky MPD's tailings dam ■ The implementation of the project on the tailings dam of Processing Plant No. 14 of the Aikhal MPD will increase its capacity by 75.08 million m³
Advanced training of personnel engaged in hydraulic structure operation	■ A professional development programme was prepared and implemented for the course of additional education "Safety requirements for hydraulic structures: hydraulic structures of industrial facilities"	■ 59 Company employees completed training under the programme, 53 of them were subsequently certified on Rostechnadzor's Unified Testing Portal
Liquidation of the tailings dam of Processing Plant No. 8 of the Aikhal MPD	■ A set of planned engineering surveys for the disturbed land rehabilitation project was performed	■ Following the state environmental expert review, rehabilitation will be initiated with subsequent liquidation of hydraulic structures

[1] Approved in 2024.

The Company conducts regular training for employees whose activities are related to the design, construction, overhaul, operation, reconstruction, mothballing and liquidation, as well as maintenance, operational control and routine repair of hydraulic structures. All specialists involved in hydraulic structures operations also undergo mandatory certification in hydraulic structures industrial safety in the territorial body of Rostechnadzor through the Unified Testing Portal. The Company also pays attention to preparing employees for actions in case of an emergency at hydraulic structures to improve the promptness and efficiency of emergency response measures.

For more information on emergency response measures, see the Prevention of emergencies section

As part of the 2024–2026 Programme to Improve the Reliability and Operational Safety of Hydraulic Structures of PJSC ALROSA [1], which includes 102 measures, the Company implemented 72 measures in the reporting period.

NEXT STEPS

In 2025 and the medium term, ALROSA intends to:

- continue its efforts to reduce mineralized water volumes in tailings dams;
- update the provisions of the Tailings Dam Management Standard in 2025 to bring it into compliance with the new norms of Russian laws;
- construct and launch a system for pumping mineralized water from the tailings dam of Processing Plant No. 14 of the Aikhal MPD in 2025–2026 into the mined-out area of the Komsomolsky open-pit mine;
- conduct pilot tests of the technology of mineralized water treatment by thermal distillation at the Udachny MPD in 2025;
- construct and launch the recycled water treatment complex for the needs of the Lomonosovsky MPD in 2025–2026.

Land rehabilitation and reforestation

GRI 3-3 GRI 14.8.1

ALROSA places special emphasis on the rehabilitation of disturbed lands, since exploration and diamond mining, as well as the construction of facilities and waste disposal have a negative impact on soil and vegetation. The Company performs land rehabilitation in accordance with the requirements of national laws and the updated rehabilitation plan. ALROSA regulates the unified procedure for organizing the accounting and management of rehabilitation of land disturbed during operations, including land disturbed during construction (creation, reconstruction, major repairs and demolition of capital construction facilities), as well as during subsoil use (geological study of subsoil, development of mineral deposits).

GRI 14.8.5

Mine closure and land rehabilitation projects are approved and implemented for all deposits developed by ALROSA Group. The design documentation for closure and mothballing of subsoil use facilities is aimed at ensuring the safety of life and health of the population, protection of the subsoil, natural environment and water resources from pollution, and complies with laws and regulations. The technical design for mine closure and mothballing is duly reviewed and agreed with the relevant state authorities in accordance with Russian laws.

Among other things, the design documentation for mothballing the Mir mine provides for monitoring the condition of mothballed structures of the surface complex of mines, including geomechanical monitoring to observe the displacement and deformation of rocks and the surface. In accordance with the mothballing design documentation, ALROSA surveys the condition of the slopes of the Mir open-pit mine twice a year and prepares a report on the results of the inspection. The dynamics of water level growth in the open-pit mine observed in 2024 fully corresponds to the forecast values and confirms the findings of hydrodynamic modeling performed by the Company's research and design institute in 2021.

ALROSA's approach to developing land protection and rational use and implementing the best available technologies when developing remediation projects, is set forth in the Policy for Land Protection and Remediation. The Company also has Regulations on Disturbed Land Remediation Management. At the same time, annual reduction of the annual amount of abandoned land by 10% through rehabilitation is a goal of the Long-Term Development Programme of ALROSA Group for 2024–2028. In addition, the Company is governed by the internal Long-Term Disturbed Land Rehabilitation Programme up to 2028. The programme covers rehabilitation after geological work, closure of subsoil use facilities and tailings dams, as well as the transfer of unclaimed leased areas.

ALROSA focuses on informing and collecting feedback from stakeholders on planned activities and their potential environmental impact. In accordance with Russian laws, the Company, together with representatives of the administration of the regions of presence, holds public discussions on design documentation for disturbed land remediation projects, including environmental impact assessment materials.

At the end of 2024, the total area of land owned or leased by ALROSA Group amounted to 31,786 hectares. Of these, as of 1 January 2025 the area of disturbed land was 25,056 hectares, including 4,776.9 hectares of abandoned land. Compared to 2023, the area of disturbed land decreased by 362 hectares, and the area of abandoned land – by 613 hectares. Such results were achieved due to disturbed land remediation at a number of the Company's facilities.

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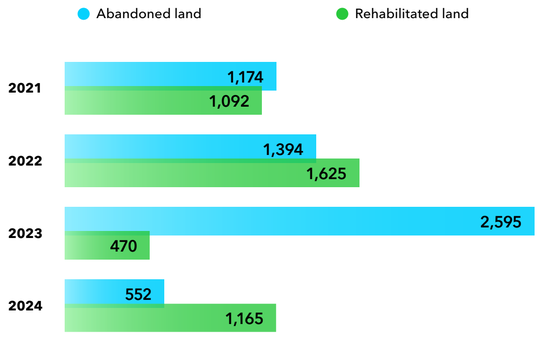
GRI 304-3 GRI 14.8.1

In the reporting period, the Company continued its land remediation measures in three key areas: removal of mine workings, rehabilitation of waste disposal facilities, and reforestation. In 2024, the area of land rehabilitated by ALROSA Group reached 1,165 hectares, which is almost 2.5 times more than a year earlier. To improve the efficiency of remediation and for rational use of waste, ALROSA has certified dewatered sludge from the Company's treatment facilities for use as fertilizer for remediation.

The provision for remediation of disturbed land and tailings dams in the Company's production area required for the relevant rehabilitation measures amounted to RUB 15.9 billion at the end of 2024.

For more information on the Company's approach to calculating the provision for remediation of disturbed land and tailings dams in the Company's production area, see the Disclosed Consolidated Financial Statements for 2024.

Area of land abandoned and rehabilitated by ALROSA Group ha



MED-21

ALROSA'S REFORESTATION EXPENSES IN 2024 AMOUNTED TO RUB 119.6 million

In accordance with the laws of the Russian Federation, ALROSA performs timely and full reforestation in an area equal to the area of forest plantations cut down during the Company's business activity. In 2024, the deforestation area was 205 hectares. Reforestation based on deforestation areas of the reporting year will be performed in 2025.

In 2024, compensatory reforestation was performed based on previous years deforestation areas on 698 hectares (in the regions of the Republic of Sakha (Yakutia) and the Arkhangelsk region)

WHAT ALROSA IS PROUD OF



"GREEN HECTARE" CAMPAIGN

In 2024, as part of the landscaping project in disturbed areas, ALROSA held the "Green Hectare" campaign. Employees of the Environmental Center, together with students of the Mirny Regional Technical College, planted 400 kg of seeds of perennial grass on the territory of the former tailings dam of Processing Plant No. 5. The participants planted seeds that take root well in local climatic conditions and were produced by local suppliers. Experimental grass sowing is expected to enhance soil fertility and restore the living environment. The Company plans to scale the experiment and continue its implementation on a regular basis.

ASSESSMENT OF THE CONSEQUENCES OF FOREST FIRES AND PROSPECTS FOR REFORESTATION IN YAKUTIA

In early 2024, the Institute for Biological Problems of Cryolithozone of the Siberian Branch of the Russian Academy of Sciences (SB RAS) presented to the Company the results of two years of large-scale research of the impact of fires on the ecosystems of the Republic of Sakha (Yakutia). Based on the materials of the research conducted, the Institute specialists developed recommendations on reforestation aimed at increasing the intensity of sustainable ecosystems formation and phytomass growth.

In the course of research, specialists conducted soil, environmental, silvicultural, geobotanical, theriological, geochemical, hydrochemical and other environmental studies to assess the current state of forest fires. Experts have discovered that in the context of global climate change, higher air temperature, changes in precipitation and increased fire activity strongly affect the intensity of permafrost degradation, especially in the north of Yakutia. Thawing permafrost with high ice content after destruction of the forest stand and other forest tiers can lead to catastrophic scenarios with irreversible loss of forest areas.

Studies have shown high efficiency of efforts on artificial restoration of a number of tree species. ALROSA plans to use these results to develop comprehensive reforestation measures in Yakutia.

EXPERIMENTAL FOREST NURSERY IN YAKUTIA

The study of the consequences of forest fires contributed to the launch of a project to create ALROSA's own forest nursery. The initiative is aimed at creating a base of plants and trees, seedlings of which will be resilient in the harsh conditions of Yakutia.

In the reporting year, as part of the project, specialists of the Institute for Biological Problems of Cryolithozone of the Siberian Branch of the Russian Academy of Sciences collected plant seeds that are characteristic of the Far North and are already adapted to the natural conditions of Yakutia, and therefore they have maximum chances of germination and survival in the natural environment. Specialists of the Institute carried out pilot planting and laboratory studies of resilient species of wood species to determine germination and growing capacity of collected seeds. In addition, the Institute is working on the selection and testing of soil mixtures to determine their optimal composition.

According to ALROSA's expectations, the experimental forest nursery will become a scientific platform for large-scale reproduction of plants for rehabilitation adapted to the harsh natural conditions of the region, and the scientific data obtained will form the basis for further reforestation programmes of the Company and will be used in the creation of the largest nursery in the Republic of Sakha (Yakutia).

Biodiversity conservation

GRI 3-3

Biodiversity conservation is a significant area of ALROSA's environmental activities. The Company approved the Flora and Fauna (Biodiversity) Protection Policy aimed at preventing and reducing the negative impact of production activities on biodiversity. As part of the Comprehensive Programme for Environmental Protection and Environmental Safety, ALROSA annually implements a wide range of measures aimed at protecting, monitoring and restoring ecosystems and habitats of various species. According to ALROSA Group's Environmental Strategy up to 2035, the target indicator for protecting natural areas and flora and fauna for 2024–2035 is the expansion of measures aimed at preserving biodiversity, including rare and endangered species of living organisms, their habitat, and natural areas, as well as increasing funding for projects aimed at conservation and remediation purposes.

ALROSA SPENT
RUB
95.8
million
ON BIODIVERSITY CONSERVATION IN 2024

The Company's key areas of focus in biodiversity conservation are monitoring and protection of the wild reindeer population and the Red Book species of bird fauna – the lesser white-fronted goose (Anser erythropus), as well as stocking water bodies with fish. In addition to the traditional areas of biodiversity conservation efforts, the Company implemented a series of additional measures in the reporting year, namely:

- monitoring of aquatic biological resources and their habitat in the river system in ALROSA's area of operations;
- creating a model of soil structures with determination of regional concentrations of substances in soil in the industrial development zone of the Company's diamond-bearing deposits;
- monitoring studies in the river system of the Zimnyaya Zolotitsa River in connection with the commercial development of the deposit at the Lomonosovsky MPD;
- monitoring of fauna when operating the Lomonosovsky MPD.

MED-21

In 2024, ALROSA spent RUB 95.8 million on the implementation of these measures, which is 53% more than in the previous year.

MONITORING AND ASSESSMENT OF THE IMPACT ON BIODIVERSITY

Monitoring of biodiversity in the area of the Company's industrial operations

GRI 304-1 GRI 304-2

PJSC ALROSA performs production activities in Yakutia in the territories of the Ochuma and Beke resource reserves, as well as near the Living Diamonds of Yakutia, Junkun and Syugjer specially protected natural areas of national significance. In other regions, operations are not performed within or near areas of high biodiversity value or specially protected natural areas.

GRI 304-4

To prevent negative impacts on plant and animal ecosystems, the Company monitors the state of biodiversity once every three years. According to the results of the assessment of the state of flora and fauna conducted in 2022, 10 species of plants and animals included in the Red List of the International Union for Conservation of Nature (IUCN) and in the Red Book of Russia were found on sample sites within a radius of 10–15 kilometers from the boundaries of the Company's production sites. Of these, two species are classified as Near Threatened (NT), six species – as Least Concern (LC) and two species – as Vulnerable (VU).

WHAT ALROSA IS PROUD OF

WINNER OF THE EKOTECH LEADER 2024 AWARD

In 2024, ALROSA won the IV National Environmental Technology Award ECOTECH LEADER 2024 in the Biodiversity Conservation category. The Company presented a project to preserve and replenish biodiversity in the area of its operations in the Republic of Sakha (Yakutia). In total, more than 200 applications were received for the competition. When selecting the winners, the expert jury was guided by the criteria of novelty, social and economic significance of the project, as well as efficiency in terms of environmental preservation.



Fauna monitoring

In 2024, ALROSA conducted a series of monitoring activities to study the state of populations of various animal species, including rare and protected animals, in the area of the Lomonosovsky MPD's operations. Monitoring was performed by the Northern Branch of the Federal State Budgetary Scientific Institution "Russian Research Institute of Game Management and Fur Farming named after Professor B.M. Zhitkov." Studies were conducted in respect of the following main groups: rare and endangered animal species; hunted animal and bird species; non-hunted animal species; habitat indicator species. All areas (zones) to be covered by the Company's operations in the coming year were subject to inspection in terms of monitoring the sites of rare and endangered fauna species. In respect of ordinary species and indicator species, specialists conducted studies at two monitoring sites – in low-disturbed areas near the Belaya River (right tributary of the Zolotitsa River) at a distance of 10 km from the intensive mining zone and in the intensive mining zone, where all changes in flora and fauna arising under the influence of business activity are recorded (within a radius of 1–2 km to the basic diamond mining site). The research identified the most vulnerable species and developed recommendations to reduce the impact of the core production operations on the environment.

Bird fauna monitoring

In the reporting year, ALROSA continued to preserve the lesser white-fronted goose (Anser erythropus), a rare migratory species included in the Red Book. Back in 2022, satellite sensors were purchased and installed, which made it possible to track bird migration routes. Based on the studies' results, the Institute for Biological Problems of Cryolithozone of the Siberian Branch of the Russian Academy of Sciences and ALROSA signed a memorandum of understanding on strategic cooperation with the Administration of the Poyang Lake National Nature Reserve of Jiangxi Province. The purpose of the three-party cooperation is to identify the reasons for the decline in the population of the lesser white-fronted goose and to implement measures to restore optimal habitat conditions for the species. In 2024, ALROSA supported research conducted by the Institute, inter alia in partnership with Chinese ornithologists. During the reporting period, ornithologists carried out two expeditions in the upper reaches of the Muna River. The project was further developed, the first results will be presented in scientific publications. Work in this area will continue in 2025.

Ichthyofauna monitoring

In 2024, together with specialists from the Irkutsk State University, monitoring studies of aquatic biological resources and their habitat in the river system [1] in the area of PJSC ALROSA's operations were continued. Hydrobiological studies were carried out and samples were taken to assess the current state of aquatic ecosystems. The analysis showed that the current state of the main elements of biota and ecosystems of watercourses in the production area as a whole remained stable. It is expected that the results of many years of research will make it possible to launch a comprehensive programme for monitoring the environmental impact of industrial facilities, which, in turn, will facilitate the improvement of the Company's sustainable environmental management activities.



WHAT ALROSA IS PROUD OF

DEVELOPMENT OF INTERNATIONAL COOPERATION TO PRESERVE THE POPULATION OF THE LESSER WHITE-FRONTED GOOSE

In 2024, as part of the Memorandum of Understanding on Strategic Cooperation between the Lake Poyang National Nature Reserve, the Institute for Biological Problems of Cryolithozone of the Siberian Branch of the Russian Academy of Sciences and ALROSA in respect of the study and conservation of the lesser white-fronted goose, a decision was made to create a working subgroup to study the eastern population of the lesser white-fronted goose under the East Asian-Australasian Flyway Partnership [2]. The subgroup includes leading specialists and representatives of the management of organizations whose activities are related to monitoring and studying the state of the eastern population of the lesser white-fronted goose.

The participants of the subgroup outlined further stages of joint work – expanding the exchange of data on the state of the eastern population of the lesser white-fronted goose, joint Russian-Chinese data records in the regions of nesting and wintering. The parties placed special emphasis on discussing the possibility of joint data recording on the lesser white-fronted goose in wintering areas in the regions of Dongting and Poyang Lakes in China.

EAAFP

[1] Experts study the state of the Sokhsolookh, Daldyn, Vilyui, Irelyakh, Malaya Botuobia, Markha, Uulaakh-Muna, Nakyn, Dyulyung-Ottu, Dyakhtar-Yurege, Khannya Rivers and the Bezymyanny Stream.
[2] The partnership is an informal and voluntary initiative that brings together national governments, international non-governmental organizations and intergovernmental organizations. The initiative is aimed at creating a structure that ensures the possibility of dialog, cooperation and interaction among various stakeholders in the flyway region with regard to the conservation of migratory birds and their habitats.

COOPERATION AND SUPPORT FOR NATURAL AREAS

In 2024, ALROSA and the Directorate of Biological Resources, Specially Protected Natural Areas and Natural Parks of the Republic of Sakha (Yakutia) entered into a new special-purpose financing agreement for 2024–2025. In accordance with the contract, in the reporting year ALROSA allocated RUB 3.5 million to ensure conditions for the introduction of wood buffalo on the Yakutia buffalo farms of Ust-Buotama and Tympynay. The project will help preserve a unique endangered species of animals.



WILD REINDEER POPULATION CONTROL MEASURES

In 2024, the Company continued its cooperation with the Institute for Biological Problems of Cryolithozone of the Siberian Branch of the Russian Academy of Sciences. The joint work includes the study of migration routes of wild reindeer of the Leno-Olenek population. During the field season of the reporting year, the movement of animals, their habitats and numbers were monitored. In the area of the Verkhne-Munskoe deposit, where migration routes intersect with industrial infrastructure, measures were taken to minimize the impact, in particular, a silence regime was introduced on the mine road.

In the reporting year, as part of a long-term agreement with the Directorate of Biological Resources, Specially Protected Natural Areas and Natural Parks of Yakutia, the development and implementation of measures aimed at protecting wild reindeer and supporting specially protected natural areas continued. In the reporting year, ALROSA and the Directorate of Biological Resources signed an additional agreement aimed, inter alia, at assessing the current state of tundra populations of wild reindeer in Yakutia. In addition, in 2024, ALROSA entered into an agreement with the Non-Profit Organization Special Fund for Future Generations of the Republic of Sakha (Yakutia), for the implementation of measures to account for the Leno-Olenek wild reindeer population using unmanned aircraft systems.

In 2024, ALROSA continued to support the Zapad (West) special-purpose team, created on the initiative of the Directorate of Biological Resources, Specially Protected Natural Areas and Natural Parks of Yakutia. The special purpose team is engaged in protecting wild reindeer from illegal hunting, as well as studying their population and migration routes.

RESTORATION OF THE POPULATION OF AQUATIC BIOLOGICAL RESOURCES

ALROSA is consistently implementing measures to replenish and preserve populations of valuable fish species, in particular, it stocks Yakutia rivers and lakes with fish. In addition to mandatory compensatory release of fish stipulated by Russian laws, ALROSA implements its own ichthyofauna recovery programmes.

MED-21

In 2024, in cooperation with the Chernyshevsky Fish Hatchery, ALROSA released 2,3 million peled (Coregonus peled) larvae into the Vilyui Reservoir, as well as 100 thousand juvenile broad whitefish and more 20,000 juvenile Siberian sturgeon into the Vilyui River. In total, the Company spent RUB 10 million on voluntary measures to artificially reproduce aquatic biological resources.

Number of fry and larvae released into natural water bodies
million



Financing of fish stocking measures RUB million



NEXT STEPS

In 2025, ALROSA intends to:

- continue the implementation of key biodiversity conservation projects;
- assess the current state of flora and fauna in the area of PJSC ALROSA's operations.

In the medium term, the Company intends to:

- develop and validate PJSC ALROSA's biodiversity conservation programme;
- implement its own biodiversity conservation programmes at ALROSA Group companies to ensure a holistic unified approach to biodiversity conservation.

DEVELOPMENT OF THE REGIONS OF OPERATIONS

138 Approach to social investment management
139 Social investments in the development of the regions of operations
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2024 HIGHLIGHTS

FIVE SOCIAL PROJECTS IN THE MIRNINSKY DISTRICT UNDERWENT AN ASSESSMENT

A REVIEW OF SOCIAL AND CHARITABLE ACTIVITIES WAS CONDUCTED

COMPREHENSIVE PROGRAM FOR THE DEVELOPMENT OF AND SUPPORT FOR INDIGENOUS SMALL-NUMBERED PEOPLES OF THE NORTH WAS APPROVED

Progress under the 2021–2025 ALROSA Group Sustainability Programme [1]

	TARGET	PROGRESS FOR 2024	PROGRESS SINCE THE PROGRAMME LAUNCH	
C1 **Ensuring sustainable volume of social investments**	Ensuring annual amount of social investment in accordance with approved programs	**RUB 8.1 BILLION** (+6% vs 2023)	**RUB 28.4 BILLION** since 2021	✓
C2 **Ensuring perfomance of obligations under agreements with regions of operations**	Ensuring 100% timely fulfilment of obligations under targeted donation agreements with regional authorities	**100%** of the obligations fulfilled	**100%** of the obligations fulfilled	✓
C3 **Construction and maintenance of social infrastructure**	Developing, maintaining and ensuring stable operation of the Company's social infrastructure assets in the regions of operations	**RUB 2.1 BILLION** allocated for the development and maintenance of social infrastructure facilities (+19% vs 2023)	**RUB 6.95 BILLION** since 2021	✓
	Participating in construction of large infrastructure assets in the cities and regions of operations	Infrastructure projects implemented in settlements of the Republic of Sakha (Yakutia)		✓
C4 **Contributing to local purchasing**	Annual purchases from local suppliers registered and operating in the regions where ALROSA Group operates	**28%** share of purchases from local suppliers (+5 p.p. vs 2023)	**27%** average share of purchases from local suppliers since 2021	✓

- ✓ Task completed
- Task included in 2025–2029 Sustainability Programme
- Task in progress
- ✗ Task not completed



[1] The targets cover the Diamond Mining and Processing Operations



Why is it important to ALROSA?

The Republic of Sakha (Yakutia) and its administrative districts (uluses) are the key shareholders of ALROSA. This feature of the Company's corporate structure establishes the unique nature of its relationships with local communities, where the cooperative implementation of socially meaningful projects is prioritized. As a result of the synergies created, a sustainable enhancement in the economic and social welfare of the areas is achieved.

MATERIAL TOPICS

- Development of the regions of operations (social and infrastructure projects)
- Interaction with local communities and indigenous peoples

REGULATORY DOCUMENTS

Internal

- Social Policy
- Policy on Engagement with Indigenous Peoples
- Regulations on Charity, Other Gratuitous Transactions, and Sponsorship
- Regulations on the Commission on Financial and Sponsorship Support
- Regulations on the Central Housing Commission
- Regulations on the "ALROSA Territory" Contest[1]
- Regulations on Social Impact Assessment of the Company's Operations
- Regulations on Socially Significant and Socially Useful Expenses and Sponsorship
- Supplier Business Ethics Code
- Regulations on Procurement[2]
- Regulations on Responsible Diamond Supply Chain Management

External

- Decree of the Head of the Republic of Sakha (Yakutia) "On the Development of the Mirninsky District to 2030"
- Cooperation / social and economic development agreements with regions and municipalities

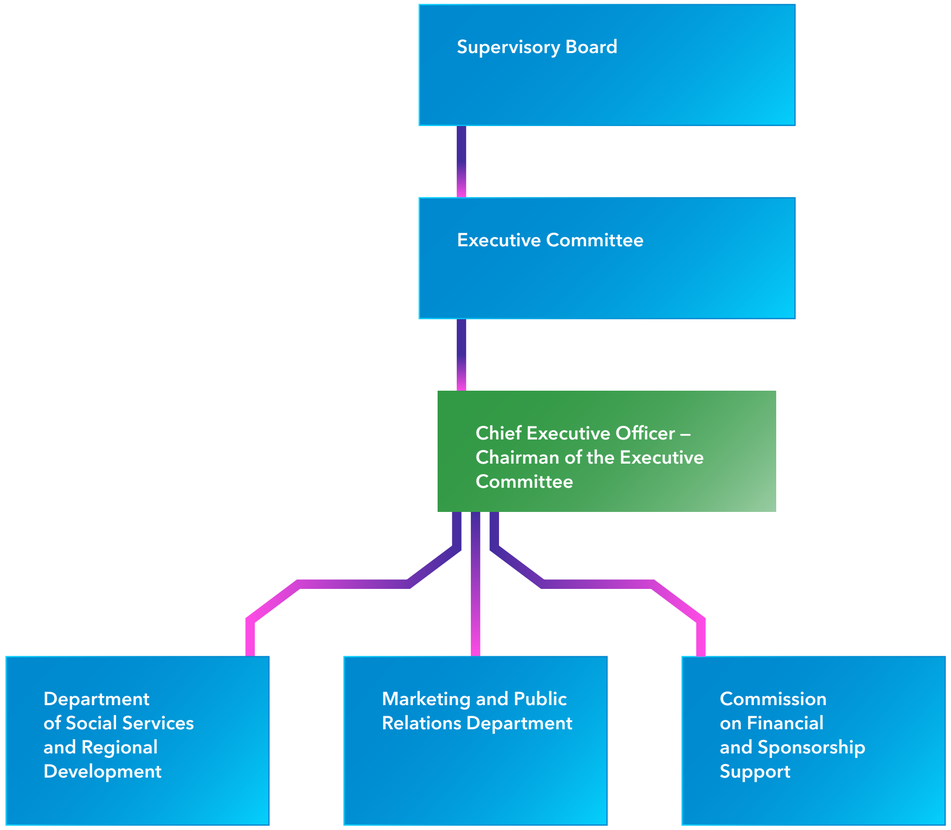
METHODOLOGICAL RECOMMENDATIONS

UN Global Compact Principles

1 2

[1] This document is only available in Russian.
[2] This document is only available in Russian.

ALLOCATION OF RESPONSIBILITY



Responsibilities of management bodies

BODY	RESPONSIBILITY
Supervisory Board	■ Determination of strategic goals and objectives ■ Approval of the consolidated budget of social projects
Chief Executive Officer – Chairman of the Executive Committee	■ Determination of the Company's social policy
Department of Social Services and Regional Development	■ Preparation of a consolidated budget for social projects based on the data of all ALROSA Group companies and its submission to the Supervisory Board ■ Control of allocation of investments ■ Cooperation with the Special Fund for Future Generations of the Republic of Sakha (Yakutia) and the governments of the districts/uluses of the Republic and other beneficiaries that prepare reports on the implementation of programs and use of funds
Marketing and Public Relations Department	■ Engagement with representatives of local communities
Commission on Financial and Sponsorship Support	■ Reviewing certain matters related to providing charitable and sponsorship assistance, as well as other types of gratuitous transactions, and presenting recommendations to the Company's Executive Committee



Approach to social investment management

GRI 3-3

ALROSA's social activities are aimed at promoting a decent quality of life for communities, as well as preserving traditional spiritual and cultural values in each region of the Company's operations. The Company participates in federal and regional projects in education, healthcare, culture and sports. The management approach is based on cooperation and open dialogue with local authorities, non-profit organizations (NPOs) and local communities.

GRI 413-1

To assess the social effects of implemented activities, ALROSA has the relevant Regulations in place, under which five projects executed in the Mirninsky District were reviewed for the first time in the current reporting period. The assessment was performed by an independent consultant and included surveys of representatives of local government bodies, managers and direct beneficiaries of social projects. The results revealed that the set goals were achieved for most projects. In addition, a high level of satisfaction of social project beneficiaries was reported.

COOPERATION IN IMPLEMENTING SOCIAL INITIATIVES

ALROSA shares responsibility with regions and municipalities in the process of socio-economic development of the areas. The Company co-finances social initiatives and enters into special-purpose financing agreements with the Special Fund for Future Generations to implement advanced development projects in the Republic of Sakha (Yakutia). Total remittances to the Fund equaled RUB 936.8 million in 2024. The funds were spent on the construction and repair of educational, healthcare, culture and sports facilities, as well as social development, activities to support education, science, culture, families, mass sports, healthcare and environmental protection.

Agreements with the regional governments are an essential tool of ALROSA's social policy. As at 2024, the Company continued to have 18 such agreements with Yakutia, separate uluses, as well as two agreements with the government of the Arkhangelsk Region. In the reporting year, ALROSA updated the Agreement with the Oleneksky Evenki National District.

Since 2023, in addition to its obligations under the agreements, the Company has also focused on measures under the Decree of the Head of the Republic of Sakha (Yakutia) "On the Development of the Mirninsky District to 2030", which determines the strategic development goals of the Mirninsky District. In compliance with the Decree, ALROSA takes part in more than 50 activities. The initiatives cover such areas as construction and overhaul of roads, social and industrial facilities, improvement of urban and rural spaces, gasification, etc.

RUB >1.7 billion

THE TOTAL AMOUNT OF PAYMENTS UNDER AGREEMENTS WITH THE REGIONAL GOVERNMENTS IN 2024

WHAT ALROSA IS PROUD OF

"ALROSA TERRITORY"

The ALROSA Territory social project competition has been held since 2021. It is held annually among public organizations and municipalities of the Mirninsky District, which implement projects aimed at improving the quality of life, developing social infrastructure, education, sports and a healthy lifestyle, volunteering, tourism and youth development.

In 2024, the Company supported nine projects worth almost RUB 40 million, including a project to help stray animals, landscaping projects, sports, cultural and educational projects.

FOR 2021–2024:

RUB >176 million

THE TOTAL AMOUNT OF FINANCING

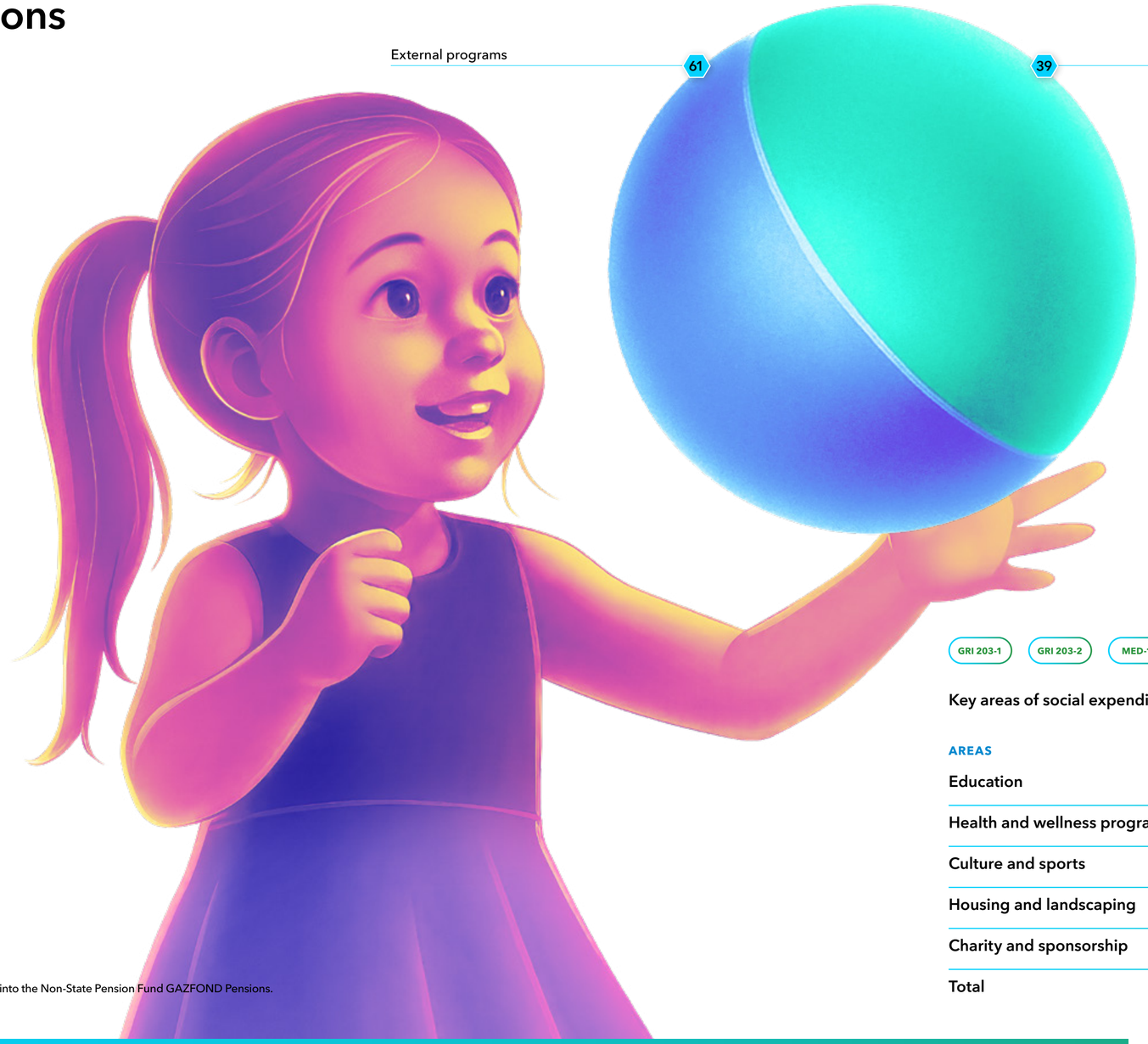
36 projects

SUPPORTED WITHIN THE COMPETITION

Social investments in the development of the regions of operations

ALROSA annually increases social investments. The Company develops its own social infrastructure facilities, meets corporate social support obligations to personnel, and consistently implements social and economic development projects in the regions of operations and cooperation projects with them. In 2024, total social expenditures of the Company rose by 5% to RUB 8.1 billion. They included investments in the development of the regions of operations and financing of social programs for employees. Additionally, ALROSA annually makes contributions to the non-state pension fund Almaznaya Osen.[1] In the reporting year, the total amount of those contributions was RUB 946 million.

Social expenditures structure in 2024 %



RUB 8.1 billion

THE TOTAL AMOUNT OF SOCIAL EXPENDITURES IN 2024

Social expenditures of ALROSA Group RUB billion



GRI 203-1 GRI 203-2 MED-10 MED-34

Key areas of social expenditures RUB billion

AREAS	TOTAL	INCLUDING EXTERNAL PROGRAMS
Education	1.4	1.4
Health and wellness programs	1.3	0.1
Culture and sports	3.2	1.3
Housing and landscaping	0.7	0.6
Charity and sponsorship	1.4	1.4
Total	**8.1**	**4.8**

[1] In April 2024, the non-state pension fund Almaznaya Osen was reorganized by merging into the Non-State Pension Fund GAZFOND Pensions.

EDUCATION

Unlocking the potential of children and young people through educational projects and supporting kindergartens, schools and universities is one of the key priorities of ALROSA.

2024 EDUCATION PROJECTS

PROJECTS AREA	PROJECT		DESCRIPTION	2024 RESULTS
Support for preschool institutions	Almazik Preschool	**RUB 700 MILLION**	ALROSA, together with the Mirninsky District government, is a co-founder of Almazik Preschool	The Company continued to finance the preschool's current operations
	Patronage assistance	**~ RUB 3 MILLION**	The Company provides assistance to preschool institutions, schools, orphanages, rehabilitation centers and special needs schools	50 institutions received patronage assistance
Support for schools	Free hot meals for schoolchildren	**RUB 165 MILLION**	Since 2022, ALROSA has been annually financing free hot meals for Mirninsky District schoolchildren in grades 5–11	17 schools of the Mirninsky District are provided with hot meals
	Reconstruction and repair of school buildings	**> RUB 60 MILLION**	ALROSA supports educational institutions by allocating funds for the repair and reconstruction of buildings and classrooms	In Mirny: ■ reconstruction of a school building ■ repair and financing of the current activities of an Orthodox high school
Support for secondary vocational education institutions and universities	Support for the educational process of colleges and universities	**RUB 24 MILLION** was spent to support the Northern (Arctic) Federal University	The Company provides support to institutions offering higher and secondary professional education, directing its investments towards facilitating the educational process and boosting endowment funds	Support was provided to the Polytechnic Institute of the North-Eastern Federal University and the Mirny Regional Technical College, as well as the Endowment Fund of the Northern (Arctic) Federal University in Arkhangelsk
	Corporate classes and training centers of ALROSA in higher education institutions	**> RUB 69 MILLION**	To develop and improve the quality of education in the regions of operations, ALROSA opens corporate classes and training centers in educational institutions	Financing of a corporate class at the Mirny Regional Technical College, opening of ALROSA corporate training centers at the Irkutsk National Research Technical University and the Transbaikal State University
Other	Support for educational workers	**> RUB 113 MILLION**	The Company provides support to employees of educational and budgetary institutions in the regions of operations, designating funds for travel costs, providing travel vouchers for employees' children, and granting additional payments along with other benefits.	Support for teachers, employees of municipal cultural, sports and educational institutions of the Mirninsky District, realization of the program "Mirninsky District is a Child-Friendly Place"
	Technomodule project	**RUB 0.9 MILLION**	The project is aimed at career guidance of schoolchildren in technical areas	The project is implemented at the Center for Additional Education in Mirny

HEALTH AND WELLNESS PROGRAMS

Given the tough working conditions and the extreme climate that the Company's staff endure, it is essential to prioritize the improvement of healthcare services in the regions of operations, as well as establishing additional health support programs.

2024 HEALTH

PROJECTS AREA	PROJECT		DESCRIPTION	2024 RESULTS
Support for hospitals	Support for healthcare workers	**> RUB 64.5 MILLION**	ALROSA allocates funds to support doctors and other healthcare workers, as well as their family members	Aikhal Municipal Hospital and Mirninsky Central District Hospital: ■ attracting doctors and providing allowances to ambulance drivers ■ reimbursement for healthcare professionals' travel expenses to and from their holiday destination District Doctor program in the Mirninsky District: ■ attracting and retaining medical personnel ■ creating comfortable conditions when receiving medical care
	Purchase of medical equipment	**RUB 6.0 MILLION**	The Company also allocates funds for the purchase of expensive medical equipment	Transfer of a thulium fiber laser surgical device to Mirninsky Central District Hospital as part of the Strategy of the Medical Center of PJSC ALROSA
Recreation and wellness program	Organization of recreation for employees, their family members and retirees	**RUB 619.2 MILLION** expenses related to recreation and wellness at the Russian Federation health resorts in 2024	The Company prioritizes disease prevention and arranges wellness retreats and leisure activities of its staff, their family members, and retirees.	In 2024, 7.4 thousand employees, their family members and retirees of ALROSA Group rested and improved their health at local health resorts and those located in other areas. During 2024, the destinations for the wellness programs included: Krasnodar Krai, Altai Krai, North Caucasus, various regions of the Russian Federation through a tour operator, the Gornyak healthcare center
Additional medical insurance	Additional medical insurance contracts	**RUB 562.3 MILLION** expenses under the Health program in 2024	ALROSA enters into additional medical insurance contracts for the benefit of its employees, their children and retirees.	42.4 thousand people were insured in 2024, including: ■ 31 thousand employees; ■ 11.4 thousand children of employees and retirees
Development of corporate healthcare in the Republic of Sakha (Yakutia)	Strategy for the Development of Corporate Healthcare in the Region where ALROSA Operates – the Republic of Sakha (Yakutia) for 2022–2026	**RUB 259 MILLION –** total budget of the Strategy	The Strategy includes activities in the following areas: ■ Department of Periodic Medical Examinations ■ "The Doctor's Office within Walking Distance" ■ New approaches to health resort and preventive treatment ■ Screening tests (checkups) through outsourcing ■ Day Surgery Center (inpatient procedures completed on the same day) ■ Digitalization, support center, corporate standards	■ Professional examinations and screenings ■ Strengthening the resource base of healthcare centers: purchase of medical equipment, creation of a digital support center ■ Implementation of an employee health and well-being program

For more information on ALROSA wellness programs for employees, see the section Social support and partnership

CULTURE AND SPORTS

ALROSA promotes cultural and sports initiatives in the regions where it has a presence. The Company is committed to fostering spiritual and ethical values among the community members and strives to provide conditions for a healthy lifestyle.

2024 CULTURE AND SPORTS PROJECTS

PROJECT		DESCRIPTION	2024 RESULTS
The Culture and Sports program (including maintenance of social infrastructure facilities)	**RUB 1,918.6 MILLION**	ALROSA employees who are members of the Profalmaz trade union attend KSK sports clubs and hobby groups for free. Special rates for KSK sports clubs and hobby groups are established for children of ALROSA employees of preschool and school age, and for retirees and veterans of the Mirninsky District (60+) for the access to KSK facilities	■ In 2024, KSK held 515 sports and fitness events and 1,011 cultural events. ■ Its structure includes 182 sports clubs and 135 creative associations. The program covers seven creative areas and 23 various sports
The 8th Children of Asia International Sports Games		The Children of Asia International Sports Games occur every four years, offering a platform for children and young people to compete in various summer and winter sports, both individually and in teams	ALROSA supported the preparation and conduct of competitions
The 2022-2024 Culture and Sports Complex Development Strategy (as updated in 2025)	**RUB 564 MILLION** budget of the Strategy	The ALROSA Culture and Sports Complex holds annual events and implements projects aimed at providing sports and cultural opportunities for local residents and Company's employees	■ Arranging a ski slope and sports complex in Mirny ■ Purchase of a motorized screen for the cinema in Aikhal ■ Arranging a bike lane in a children's camp in Arylakh ■ Training camps, master classes and other cultural events

HOUSING AND LANDSCAPING

To ensure comfortable living conditions in the regions of operations, ALROSA implements projects to create comfortable modern infrastructure, improve urban spaces and provide housing to the local population.

2024 INFRASTRUCTURE PROJECTS

PROJECTS AREA	PROJECT		DESCRIPTION	2024 RESULTS
Construction of new facilities	Construction of sports facilities for the 9th Sports Games of the Peoples of the Republic of Sakha (Yakutia)	**RUB 497.8 MILLION**	Under the Agreement on Social and Economic Development of the Republic of Sakha (Yakutia), ALROSA provides special-purpose financing for the construction, reconstruction, repair of educational, scientific, cultural, mass sports, healthcare facilities, etc.	In 2027, Nyurba will host the 9th Sports Games of the Peoples of the Republic of Sakha (Yakutia) bringing together over 4,000 participants. In 2024, ALROSA provided special-purpose financing for the construction of a stadium for 3,000 seats and a fitness center with a swimming pool. In the reporting year, the state expert review of the design and budgeting documentation was completed, and the construction is scheduled to begin in 2025.
	Construction of the Urban Environment Center of Competence in Yakutsk	**RUB 62.5 MILLION**	The construction of the regional Center is being carried out as part of targeted financing by the Special Fund for Future Generations. The key objectives of the Urban Environment Center of Competence [1] are comprehensive development of territories, improvement of public spaces, protection and restoration of territories and objects of natural, historical and cultural significance	The construction of the regional Center, which began in 2019, continued in the reporting year (the work was completed by 60%). In total, since 2019, the Company has allocated RUB 378.6 million for the construction of the regional Center. In 2025, the Company will allocate an additional RUB 67.6 million for the construction of the Center. The building is scheduled to be commissioned in 2026.

[1] It was created in the Republic of Sakha (Yakutia) on 1 February 2019 as part of the "Creating a Comfortable Urban Environment" federal project of the national project "Housing and Urban Environment"

PROJECTS AREA	PROJECT		DESCRIPTION	2024 RESULTS
Landscaping	Landscaping in Mirny	**RUB 150 MILLION**	The project is being implemented with the joint participation of the Company and the Mirninsky District and is aimed at urban improvement	The activities included the development of sidewalks, road repairs, gas installation, the creation of playgrounds for kids, and other landscaping initiatives
	Modernization of the road network of the Nyurba District	**RUB 75 MILLION**	Under the Cooperation Agreement in the area of Social and Economic Development of the Nyurba District, the Company finances infrastructure development projects	Roads of Nyurba and rural settlements of the district were asphalted and repaired
	Social and economic development of Udachny	**RUB 50 MILLION**	ALROSA participates in the implementation of measures aimed at developing the urban environment and improving the quality of life in Udachny	Roads were repaired and asphalted, courtyards and public spaces were improved, and uninterrupted functioning of public utilities and housing infrastructure was ensured
	Social and economic development of Aikhal	**RUB 50 MILLION**	The Company provides infrastructure development in Aikhal. Efforts are undertaken, inter alia, as part of the state program “Creating a Modern Urban Environment in the Republic of Sakha (Yakutia)”	Asphalting of public roads was completed, a public garden named after G.A. Kadzov, the founder of Aikhal, was created
	Social and economic development of Almazny and Svetly	**RUB 55 MILLION**	ALROSA finances activities aimed at developing infrastructure in the towns of Almazny and Svetly	Roads were repaired and asphalted, courtyards, sports areas and playgrounds were improved, and street lighting was organized
Housing	Housing for young families	**RUB 34.9 MILLION**	ALROSA co-finances the municipal program of the Mirninsky District “Housing for Young Families,” under which young families and single parents under 35 receive social allowances for the purchase of housing or the construction of a private house and to repay outstanding mortgage loans	■ In 2024, 35 young families, including 17 families of ALROSA Group employees, got certificates for receiving social benefits for the purchase of housing or the construction of a private house ■ Since 2022, 152 young families of the Mirninsky district have received payments, including 87 families of the Company's employees ■ Taking into account the effectiveness and social relevance of the program, ALROSA plans to continue co-financing it

TARGETED ASSISTANCE AND CHARITY

ALROSA takes care of vulnerable population groups in the regions of operations and helps those in need by providing charitable and sponsorship support, as well as targeted assistance. In 2024, the Company updated the Regulations on Charity, Other Gratuitous Transactions, and Sponsorship, and approved and updated regulatory documents related to charitable activities at the level of subsidiaries.

2024 CHARITY AND SPONSORSHIP PROJECTS

PROJECT		DESCRIPTION	2024 RESULTS
Commission on Financial and Sponsorship Support	**RUB 86 MILLION**	ALROSA has a Commission on Financial and Sponsorship Support, to which employees and local residents can send their requests. The Commission considers the provision of targeted assistance to those in need of: ■ treatment and rehabilitation due to serious illness, injury, accident ■ expensive medicines, as well as personal properties, if they were lost as a result of a fire or natural disaster or as a result of unlawful acts of third parties ■ financial support in case of the loss of the breadwinner, in a difficult financial situation ■ in other unforeseen and extraordinary circumstances	The Commission approved the provision of assistance for the amount of RUB 86 million, including RUB 56 million with regard to 265 requests from PJSC ALROSA’s employees

Support for indigenous small-numbered peoples

GRI 3-3

ALROSA Group respects the rights of the local population and indigenous small-numbered peoples of the North,[1] including the right to a traditional way of life in their places of traditional residence, and does not allow their forced resettlement.

For more information on the Company's approach to interaction with indigenous small-numbered peoples, see the Policy on Engagement with Indigenous Peoples.

In accordance with the legislation of the Republic of Sakha (Yakutia) since 2023, ALROSA has been undergoing ethnic environment impact assessments (EEIA) in places of traditional residence and traditional business activity and in the areas of natural resources use of the indigenous small-numbered peoples of the North. The assessment includes the development of activities aimed at mitigating potential impacts, including through targeted compensation payments based on agreements with indigenous communities.

At the beginning of 2024, the Company received a positive opinion from the expert commission on EEIA materials as part of the project documentation "Geological Survey of, Prospecting for and Evaluation of Minerals at the Munsky-3, Munsky-4, Yuzhno-Syuldyukarsky Subsoil Plots." The experts confirmed the compliance of the project documentation with the requirements established by the regulations of the Russian Federation and the Republic of Sakha (Yakutia) for the protection of the rights of small-numbered peoples, and the admissibility of the planned business activity in places of traditional residence and traditional business activity of those peoples.

The Company was recommended:

- to provide compensation to ancestral communities of minority populations engaged in traditional economic practices within the area where the project is set to take place;
- to assist in the organization of training of personnel from among small peoples (academic internships, industrial work placements, pre-graduation internships for students at the Company's enterprises, as well as their further employment);
- to assist in the preservation of traditional customs and the celebration of holidays of small peoples;
- to develop instructions for employees working in places of traditional residence of small-numbered peoples on the rules of conduct that provide for respect for environmental traditions and ethnocultural characteristics of the local population.

The recommended activities were already launched in the reporting year.



PRESERVATION OF THE CULTURE AND TRADITIONS OF YAKUTIA'S PEOPLES

ALROSA recognizes the importance of preserving the identity and cultural heritage of the region, including the traditions of the indigenous small-numbered peoples of the North. The Company annually participates in traditional national holidays, sports events and other events that contribute to the preservation of the cultural heritage of the peoples and finances them.

The Company also supports the preservation of historical and cultural heritage by assessing possible impacts of its operations on historical and cultural heritage sites. To this end, at the pre-project stage ALROSA conducts an archaeological survey of land plots, which makes it possible to assess the existence of historical and cultural heritage sites and exclude possible impact on them. If such sites are identified, measures are developed to preserve them.

In 2024, ALROSA approved a Comprehensive Program for the Development of and Support for Indigenous Small-Numbered Peoples of the North.

Activities to protect the culture and traditions of indigenous small-numbered peoples of the North in 2024

PROJECT		DESCRIPTION	2024 RESULTS
Reindeer Herders' Day, Ysyakh and Tugun Day	**RUB 7.4 MILLION** awarded in prizes to the winners of reindeer races	The Company's delegations regularly attend festive events and award prizes to the winners of contests and sports competitions in the Diamond Province uluses	The Company's delegations attended festive events and awarded prizes
Improvement of the Tuskul complex	**RUB 10.5 MILLION**	As part of the ALROSA Territory competition, the Company supported the Tuskul cultural and ethnographic complex improvement project	Work was performed to improve the Tuskul cultural and ethnographic complex (as part of the ALROSA Territory competition)
Promoting culture and traditions	**RUB 2.8 MILLION**	The ALROSA Culture and Sports Complex holds events that are important for the cultural and sports life of Yakutia, and in particular for the indigenous small-numbered peoples of the North, and are aimed at the entire population of the Republic of Sakha (Yakutia)	The Tuoi Khaya Republican Festival-Competition of Yakut pop singers and the Russian Archery Competition (with ALROSA prizes)

[1] The Republic of Sakha (Yakutia) is home to Evenks, Evens, Yukaghirs, Dolgans, Chukchi, accounting for more than 3% of the total population in the region.

GOALS OF THE COMPREHENSIVE PROGRAM FOR THE DEVELOPMENT OF AND SUPPORT FOR INDIGENOUS SMALL-NUMBERED PEOPLES OF THE NORTH

- to implement measures aimed at creating and developing the social infrastructure of the Company's region of operations and the territories of traditional residence of indigenous small-numbered peoples of the North;
- to protect the traditional habitats and economic pursuits of indigenous small-numbered peoples of the North, to create a favorable environment for the traditional use of natural resources;
- to raise the educational level and create opportunities to improve the quality of life;
- to protect the essential aspects of spiritual culture, the language and traditions, alongside promoting the revival and enhancement of customary lifestyles and crafts.

In 2024, ALROSA prolonged the tripartite Cooperation Agreement with the Government of the Republic of Sakha (Yakutia) and the Association of Indigenous Small-Numbered Peoples of the North of the Republic of Sakha (Yakutia). The agreement is aimed at creating conditions for the preservation of languages, cultural heritage and sustainable development of ethno-cultural indigenous small-numbered peoples.

As part of the agreement, over 50 events were held in 2024, including festive events connected with the Association's anniversary, the organization of festivals, exhibitions and fairs dedicated to the traditional culture, customs and languages of the indigenous small-numbered peoples of the North, financing of musicians and ethnic musical groups. Additionally, support continued for the Kyndykan creative association, whose activities are aimed at preserving and promoting the culture and customs of the indigenous peoples using traditional and new creative methods. In 2024, Kyndykan released a pilot version of a computer game based on the fairy tale of the same name.



12%
share of indigenous peoples
IN THE TOTAL HEADCOUNT

Procurement from local suppliers

ALROSA's procurement activity is an important tool for sustainable development of the regions of presence. The Company purchases from Russian suppliers, including local suppliers[1] in the regions of presence and SMEs.[2] The Company's key procurement principles are set forth in the Regulations on Procurement of ALROSA Group[3] and the Suppliers Business Ethics Code. The Procurement Center is responsible for procurement management at the Company and makes 90% of purchases in centralized manner.

GRI 204-1

LOCAL SUPPLIERS ACCOUNTED FOR

30%
of ALROSA's total procurement volume in 2024[4]

16,826
primary screenings
WERE CONDUCTED BY THE SECURITY SERVICE REGARDING POTENTIAL BUSINESS PARTNERS IN 2024

[1] Local suppliers are those registered and operating in the region of registration of PJSC ALROSA or its subsidiaries (the Republic of Sakha (Yakutia), Arkhangelsk Region, Altai Krai, Smolensk Region). For subsidiaries registered and operating abroad, all suppliers operating in the country of registration of the subsidiaries are considered local.
[2] According to the classification of counterparties in the Unified Register of Small and Medium-Sized Enterprises from the website of the Federal Tax Service.
[3] This document is only available in Russian.
[4] In terms of the number of purchases, in terms of the procurement volume – 28%.

In 2024, the Company continued its efforts to localize procurement, search for Russian and alternative foreign suppliers, and develop new logistics solutions. In the reporting period, the Company updated the Regulations on Procurement in accordance with changes in legislation regarding the application of the national procurement regime[1] and introduced a qualification procedure – a mechanism for selecting suppliers (contractors, providers) meeting the Company's requirements in order to create a list of qualified procurement participants.

In the reporting year, the Company also launched a project to switch to a domestic procurement management system. The transition to domestic software is being implemented as part of the Import Substitution Programme in order to reduce dependence on foreign vendors, increase the level of information security in accordance with legal requirements, and ensure the customization of software products to the needs of ALROSA Group.

GRI 308-1 GRI 308-2 GRI 414-1 GRI 414-2

ALROSA Group's priority is to comply with occupational health and safety standards, labor and migration laws, environmental requirements, including procurement procedures. When performing procurement activity, the Company is governed by the provisions of Federal Law No. 223-FZ of 18 July 2011 "On the Procurement of Goods, Work and Services by Certain Types of Legal Entities". Procurement participants complete a voluntary ESG survey when submitting a bid for the Company's tender procedures. As at the end of 2024, 1,104 suppliers of the Company (26% of the total number of existing suppliers) were surveyed in ESG practices, including more than 300 new suppliers based on procurement results in the reporting year. The screening of suppliers (contractors, providers) did not reveal any counterparties with significant negative environmental and social impact.

For several years, the Company has had an SME Partnership Programme aimed at providing information support to suppliers representing the SME sector. In 2024, as part of developing cooperation with SMEs, ALROSA took part in four seminars on ensuring the access of SMEs to major customers' purchases which were held by JSC SME Corporation in Yakutia and the Novosibirsk Region where ALROSA Group entities operate. In the reporting year, the number of SMEs in the Programme register was 56.

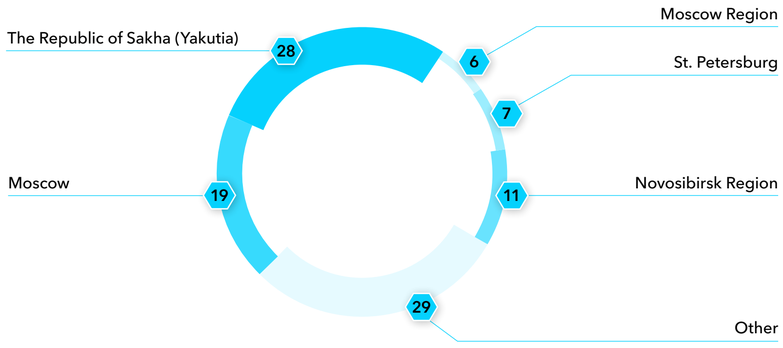
MED-9

SMES ACCOUNTED FOR

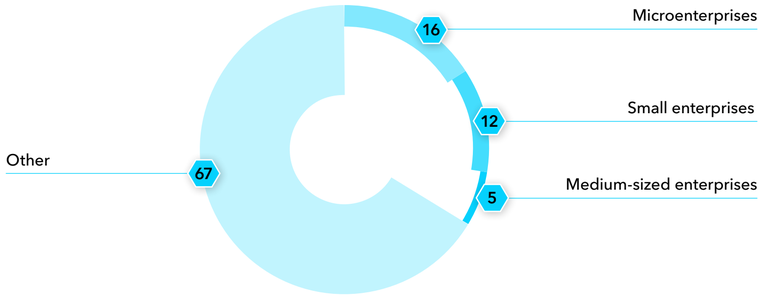
33%

of ALROSA's total procurement volume[2] in 2024

Top 5 regions by procurement volume in monetary terms in 2024[4] %



Breakdown of suppliers by procurement volume in monetary terms in 2024 %



WHAT ALROSA IS PROUD OF

ALROSA WILL FOSTER THE DEVELOPMENT OF SUPPLIERS

In 2024, ALROSA approved the Development Programme for Small and Medium-Sized Businesses for Their Potential Participation in the Procurement of Goods (Work, Services)[3]. The programme covers all types of goods, work and services included in the All-Russian Classifier of Products by Type of Economic Activity, and provides for a number of measures to support SMEs. These include financial assistance for business development, personnel training, legal and methodological support. Such development is fostered with the participation of the SME Corporation under the national project "Small and Medium Enterprises."

As part of PJSC ALROSA's Development Programme for Small and Medium-Sized Businesses for Their Potential Participation in the Procurement in 2024, selection was performed and one cooperation agreement with an individual development roadmap with a Programme participant was concluded.

[1] Federal Law No. 318-FZ of 8 August 2024 "On the Introduction of Amendments to Certain Legislative Acts of the Russian Federation, and on the Invalidation of Certain Provisions of Legislative Acts of the Russian Federation", Resolution of the Government of the Russian Federation No. 1875 of 23 December 2024 "On Measures to Provide a National Regime in the Procurement of Goods, Work, Services to Meet State and Municipal Needs, Procurement of Goods, Work, Services by Certain Types of Legal Entities."
[2] The indicator is calculated based on the procurement volume in monetary terms.
[3] This document is only available in Russian.
[4] The share is calculated relative to the total volume of purchases from Russian suppliers.

APPENDICES

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About the Report and materiality

GRI 2-3

Sustainability Report 2024 (hereinafter the Report) is the 14th annual non-financial report of ALROSA Group that contains information on the Company's sustainability principles, objectives, results and plans. The reporting periods of the non-financial and financial statements coincide. The target audience covers a wide range of stakeholders. The previous report was published in Q3 2024.

This report is published in June 2025.

The document was prepared based on Russian and international requirements and recommendations for non-financial reporting:

- Global Reporting Initiative sustainability reporting standards, GRI Standards (the "with reference" application);
- Methodological recommendations of the Ministry of Economic Development of the Russian Federation on the preparation of sustainability reporting;
- Recommendations of the Bank of Russia on the disclosure by public joint stock companies of non-financial information related to the activities of public joint stock companies;
- UN Global Compact Principles;
- Guiding Principles on Business and Human Rights.

To prepare this Report, the Company was also guided by the requirements of the industry standard GRI 14: Mining Sector 2024, IFRS Sustainability Disclosure Standards (IFRS) – IFRS S1 and S2, as well as the draft Standard on Sustainability Reporting and Requirements for the System of Verification of Compliance of Operations with the Standard of Public Business Capital prepared by the Ministry of Economic Development of the Russian Federation.

SCOPE OF THE REPORT

The terms "ALROSA Group", "ALROSA", "the Company" in this Report refer to PJSC ALROSA and its 29 subsidiaries and affiliates.

GRI 2-3

This scope is as close as possible to the set of organizations in accordance with the scope of consolidated International Financial Reporting Standards (IFRS) reporting.

This Report covers the period from 1 January to 31 December 2024, with some material sustainability events disclosed for QI-II 2025. The financial information in the Report complies with International Financial Reporting Standards (IFRS).

GRI 2-4

During the preparation of the Report, the collection and calculation methods for certain indicators were refined, inaccuracies were eliminated and the data consolidation perimeter was expanded. Therefore, some indicators disclosed in previous non-financial reports were revised. In case of changes in the wording and adjustment of indicators, information on the corresponding change or adjustment is indicated in the text of the Report.

To avoid duplication of information, the Report, in certain instances, contains references to publicly available documents of ALROSA and to previous non-financial reports.

EXTERNAL ASSURANCE

GRI 2-5

To confirm the reliability of the information and to ensure proper quality, consistency, accuracy and comparability of the data, each ALROSA's Sustainability Report undergoes an external limited assurance process[1], including a verification of the Report's compliance with the declared GRI application option. In 2024, the Company engaged FBK, LLC for that purpose. External assurance is performed based on the order of the CEO – Chairman of the Executive Committee to prepare the Sustainability Report 2024. An external assurance firm for non-financial reporting shall be determined taking into account the opinion of the Sustainability Working Group as part of the procurement procedure.

The Independent Practitioner's Assurance Report is presented in a respective Appendix.

PUBLIC ASSURANCE OF THE REPORT

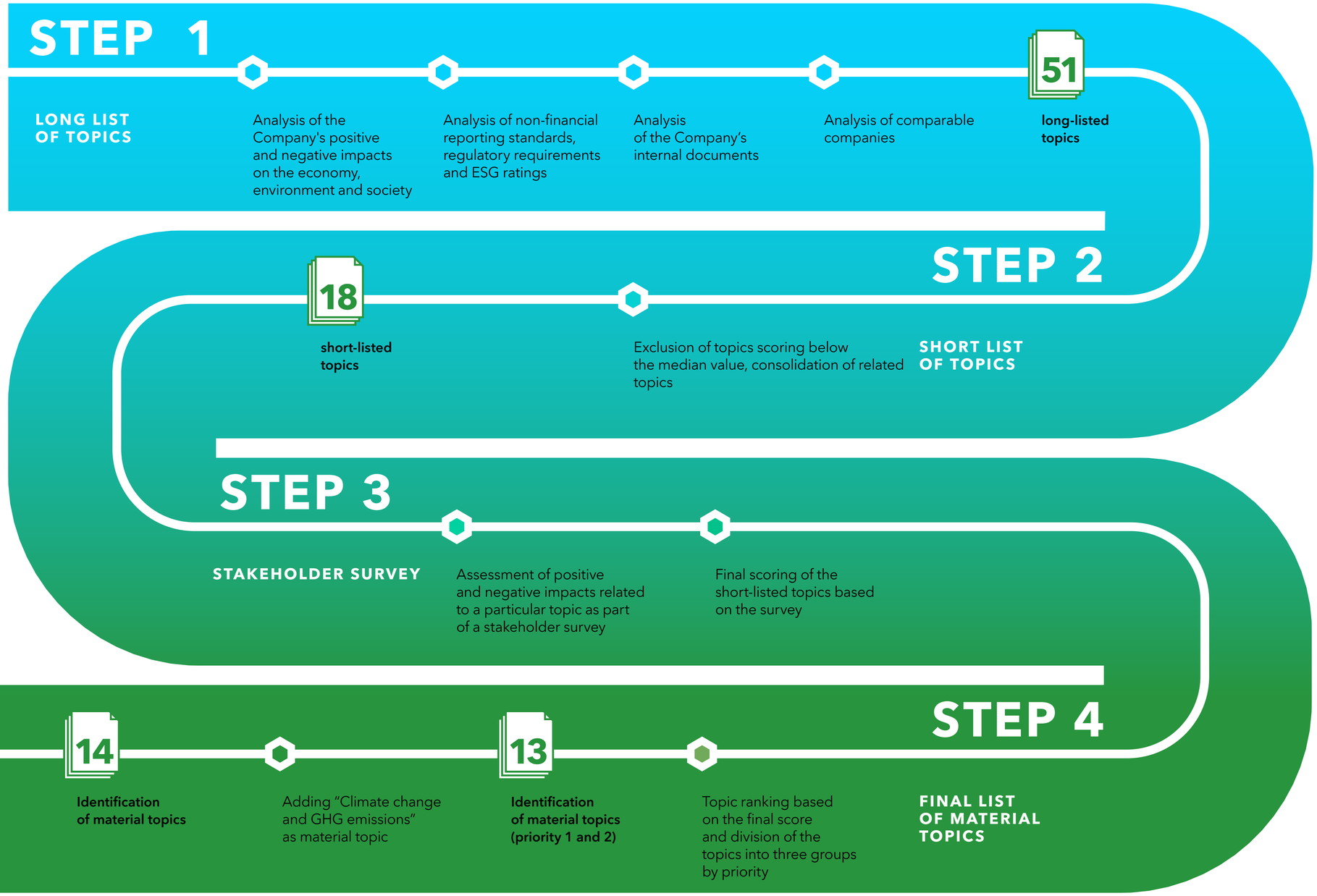
As part of the public assurance procedure, the Council of the Russian Union of Industrialists and Entrepreneurs on Non–Financial Reporting, Indices and Ratings of Sustainable Development (hereinafter – the Council) reviewed the Sustainability Report of ALROSA Group for 2024. The Council confirmed that the Report contains significant information on the main areas of responsible business practice in accordance with the principles of the Social Charter of Russian Business and sufficiently fully discloses information about the Company's activities in these areas.

The Company has taken into account a number of recommendations in the current Report and plans to take the recommendations into account in full when compiling the report for the next reporting periods.

The certificate of public assurance of the corporate non-financial report is provided in the corresponding appendix.



[1] A limited assurance engagement in accordance with ISAE 3000



IDENTIFYING MATERIAL TOPICS

GRI 3-1

В отчетном году АЛРОСА сохранила подход
In the reporting year, ALROSA retained its approach to identifying material topics:

- the materiality of each topic is determined in terms of the Company's impact on economic, environmental and social aspects;
- the Company's positive and negative impacts within each topic are considered;
- when assessing the significance of impacts, the participation of experts, including analysts and rating agencies, is ensured.

Step 1. Long-list of topics

This step involved analyzing the Company's impacts on the economy, environment and society, on the basis of which a list of topics was generated. The analysis included the Company's existing approaches, applicable standards for disclosure of non-financial information, regulators' requirements, ESG rating methods, and topics that are material for mining companies. During the analysis, the results for each type of source were normalized to make external and internal sources equivalent regardless of their number.

As each subsequent source was analyzed, new topics were added to the list. The scores for each topic were summed up and considered in the further creation of a short-list of topics.

- The result of Step 1: 51 topics have been identified.

Step 2. Short list of topics

After compiling a long list of topics and counting points for each of them, the Company created a short list, excluding topics with a score below the median value. In addition, at this stage the Company took into account the presence of the topic in GRI 14 and combined related topics.

- The result of Step 2: 18 topics were short-listed.

Step 3. Stakeholder survey

At the third step, ALROSA conducted a survey of stakeholders on a short list of topics. The purpose of the survey was to identify topics that are the most significant for certain groups of stakeholders. Examples of positive and negative impacts of the Company on the regions of operations were provided for each topic, including both actual and potential ones due to the specifics of ALROSA's operations.

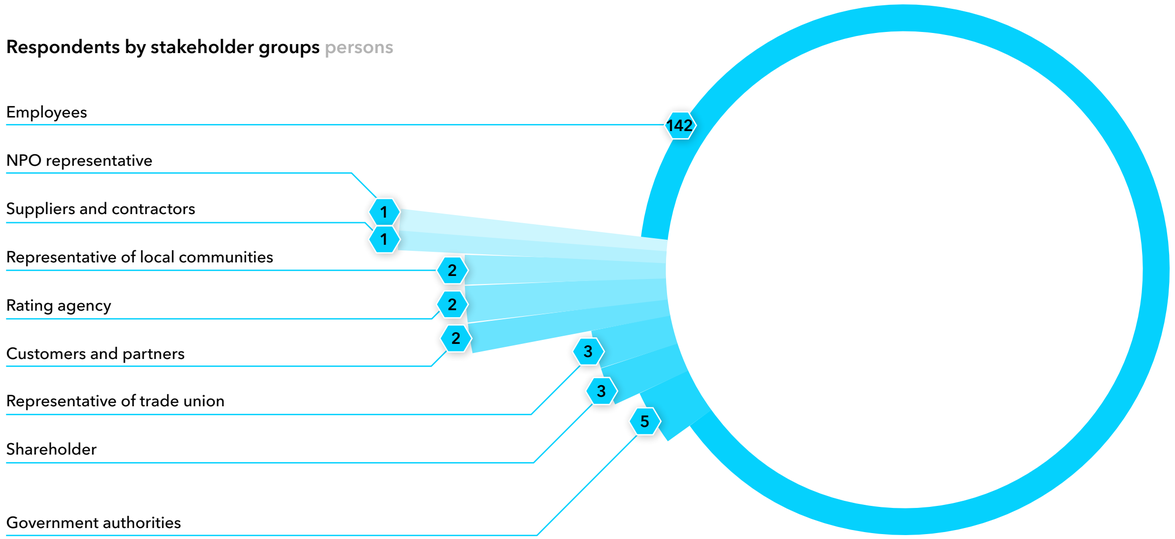
Stakeholders assessed the proposed topics on a five-point scale, and could additionally indicate material topics and impacts that, in their opinion, are relevant to the Company. All proposals of the survey participants were either correlated with the existing topics or disclosed additionally in the Report.

161 respondents from nine stakeholder groups took part in the survey. Most of the survey participants are employees of ALROSA Group entities.

In Report 2024, the final value for each topic was determined by selecting the maximum rating from positive and negative impact.

- The result of Step 3: each topic from the short list received a score.

Respondents by stakeholder groups persons



GRI 3-2

Material topics for 2024

Environment	**Environmental protection**	Biodiversity and land resources
		Water resources management
		Tailings dams operation
		Climate change and GHG emissions
Social	**Development of human capital**	Occupational health and safety
		Decent working conditions
		Employee training and development
	Development of the regions of presence	Interaction with local communities and indigenous peoples
		Development of the regions of operations
Governance	**Governance and business ethics**	Quality of corporate governance
		Economic performance
		Compliance with laws and business ethics principles
		Respect for human rights and non-discrimination
		Stakeholder engagement

Step 4. Final list of material topics

At the fourth step, the topics were ranked based on final ratings and divided into three groups by priority. The first and second priority topics were identified as material. At the same stage, given the high importance of climate strategy issues, the Sustainability Working Group decided to include “Climate change and GHG emissions” as a material topic.

- The result of Step 4: 14 topics were included in the final list.

The Sustainability Working Group approved the final list of material topics.

In 2024, the following changes were made to the list of topics relative to 2023:

- the topics "Decent working conditions", "Occupational health and safety", "Employee training and development", "Respect for human rights and non-discrimination", "Economic performance" were recognized as the most significant;
- “Economic performance”, “Tailings dams operation”, “Stakeholder engagement” were added as new material topics;
- “Innovation management” and “Air emissions” are no longer material topics.

The topics "Energy consumption and energy efficiency", "Industrial waste management", "Air emissions" and "Ensuring responsible supply chains" were not included in the list of material topics for 2024. However, information on them is provided in the Report (except for information subject to disclosure restrictions).

Independent Practitioner's Assurance Report

FBK
Audit | Consulting | Law

Independent Practitioner's Limited Assurance Report [Translation from Russian original]

To Public Joint Stock Company «ALROSA»

We have undertaken a limited assurance engagement of the accompanying 2024 ALROSA Group Sustainability Report (hereinafter referred to as the Report).

Responsibility of Public Joint Stock Company «ALROSA»

Public Joint Stock Company «ALROSA» (hereinafter referred to as PJSC «ALROSA») is responsible for preparation of the Report in compliance with the applicable criteria: requirements of the GRI Sustainability Reporting Standards to the report prepared with reference to the GRI Sustainability Reporting Standards, as specified in the GRI content index included into the Report (hereinafter referred to as Applicable Criteria).

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error, selection of applicable acts for the Report preparation; development of internal documents and calculation methods for the purposes of preparing the Report; prevention and detection of fraud; maintenance of sufficient documentation in relation to the information included in the Report.

Our Independence and Quality Management

We have complied with the independence and ethical requirements of the Rules of Independence of the Auditors and Audit Organizations and The Code of Professional Ethics of the Auditors, as well as of The International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Management 1, which requires our firm to design, implement and operate a system of quality management, which is supported by policy or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on compliance of the Report with the Applicable Criteria based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Report is free from material misstatement.

A limited assurance engagement undertaken in accordance with this standard involves assessing the suitability in the circumstances of PJSC «ALROSA» use of Applicable Criteria as the basis for the preparation

of the Report, assessing the risks of material misstatement of the Report whether due to fraud or error, responding to assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Report.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Procedures

The procedures we performed were based on our professional judgment and included inquiries, inspections of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we have undertaken the following activities:

- Interviewing the management and employees of PJSC «ALROSA» and obtaining documentary evidence.
- Study of information available on the websites of ALROSA Group companies related to their activities in the context of sustainable development.
- Study of public statements of third parties concerning economic, environmental and social aspects of ALROSA Group companies activities, in order to check the validity of the declarations made in the Report.
- Analysis of non-financial reports of comparable companies for benchmarking purposes.
- Study of the existing processes of collection, processing, documenting, verification, analysis and selection of data to be included into the Report.
- Selective review of documents and data on the performance of the economic, environmental and social impact management systems in ALROSA Group companies.
- Assessment of conformity of reporting of general disclosures and disclosures on material topics which are referenced in the GRI content index included into the Report to the requirements of applicable GRI Sustainability Reporting Standards
- Assessment of conformity of the information reported on general disclosures and disclosures on material topics which is referenced or disclosed in the GRI content index included into the Report with the documents provided to us, including external and internal reporting documents.
- Analysis of the Report for compliance with the Applicable Criteria.

The procedures were performed exclusively in relation to data for the year ended 31 December 2024. The procedures were not performed in relation to any other information disclosed in the Report including compliance statements not related to the Applicable Criteria.

The procedures were not performed in relation to forward-looking statements; statements expressing the opinions, beliefs and intentions of PJSC «ALROSA» as the parent company of ALROSA Group to take any action related to the future; as well as statements based on expert opinion.

The procedures were performed in relation to the Russian version of the Report that:

- is subject to be approved by Supervisory Board of PJSC «ALROSA»;
- contains information to be published by the date specified in the GRI 2-3 Disclosure;
- is the version of the Report regarding which GRI is to be notified on the use of the GRI Sustainability Reporting Standards in the report preparation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about compliance of the Report, in all material respects, with the Applicable Criteria.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Limited Assurance Conclusion

Based on the procedures performed and evidence obtained nothing has come to our attention that causes us to believe that the Report has not complied, in all material respects, with the Applicable Criteria.

Restriction on Use

Information in the Report prepared in compliance with the Applicable Criteria is intended solely for the Report users' purposes and as a result may not be suitable for other parties or other purposes. Our assurance report is intended for PJSC «ALROSA».

FBK, LLC
Practitioner
Partner
acting under Power of Attorney No. 79/24 of October 03, 2024

Vladimir Yulianovich Skobarev
(registration number 21606080523)

June 11, 2025

Organization Details

Name:

Public Joint Stock Company «ALROSA» (PJSC «ALROSA»).

Address of the legal entity within its location:

6 Lenin St, Mirny, Republic of Sakha (Yakutia), 678175.

The registration entry was made in the Unified State Register of Legal Entities on 17 July 2002 under primary state registration number 1021400967092.

Audit Organization Details

Name:

FBK, LLC.

Address of the legal entity within its location:

44 Myasnitskaya St, Bldg 2, Moscow, 101000.

The registration entry was made in the Unified State Register of Legal Entities on 24 July 2002 under primary state registration number 1027700058286.

Primary number of registration entry in the register of auditors and audit organizations of the self-regulatory organization of auditors 11506030481.

Public Assurance Report [1]



Russian Union of Industrialists and Entrepreneurs

CERTIFICATE

of Public Endorsement
of a Corporate Non-Financial Report

ALROSA Group
Sustainability Report 2024

has received public endorsement
by the RSPP Council on Non-Financial Reporting

A detailed opinion of the RSPP Council regarding public endorsement of the ALROSA Group Sustainability Report 2024 has been sent to the Company, which may publish it without amendment and use it both for corporate purposes and for the purposes of stakeholder engagement.

Registration number 294.01.294.03.24

RSPP President A. Shokhin

Moscow, 2025

[1] This Report is only available in Russian.

GRI content index

Statement of use ALROSA Group has reported the information cited in this GRI content index for the period from 1 January to 31 December 2024 with reference to the GRI Standards.

GRI 1 used GRI 1: Foundation 2021

	DISCLOSURE			SECTION	COMMENT
GENERAL DISCLOSURES					
1. The organization and its reporting practices	**GRI 2: General Disclosures 2021**	2–1.	Organizational details	ALROSA at a glance, p. 5 Business Model, p. 7 Contacts, p. 185	The significant region of operations is the Russian Federation. For some indicators there is an additional breakdown by regions where key assets are located (the Republic of Sakha (Yakutia), the Arkhangelsk Region, the Smolensk Region, St. Petersburg). Form of ownership – mixed Russian ownership with stakes of federal and constituent entities of the Russian Federation. The key shareholders are the Russian Federation (33% of shares) and the Republic of Sakha (Yakutia) (25% of shares). A distinctive feature of ALROSA management is the participation of indigenous peoples in strategic decision-making: the governments of uluses (districts) of the Republic of Sakha (Yakutia) account for 8% of the Company's share capital. For more details, see Disclosed annual financial statements and Independent Auditor's Report as of 31 December 2024.
		2–2.	Entities included in the organization's sustainability reporting	–	In documents to be disclosed, access to the information is restricted in accordance with Resolution of the Government of the Russian Federation No. 1102 of 4 July 2023 "On the Specifics of the Disclosure and/or Provision of Information to be Disclosed and/or Provided in Accordance with the Requirements of the Federal Law "On Joint Stock Companies" and the Federal Law "On the Securities Market". This report uses a similar approach to information disclosure.
		2–3.	Reporting period, frequency and contact point	About the Report and materiality, p. 148 Contacts, p. 185	
		2–4.	Restatements of information	About the Report and materiality, p. 148	
		2–5.	External assurance	About the Report and materiality, p. 148	The Strategy and Sustainability Committee reviews the Sustainability Report in accordance with the provisions of the Sustainability Policy. The Chief Executive Officer – Chairman of the Executive Committee annually approves the order for the preparation of the Sustainability Report, which, among other things, stipulates the provisions for external assurance of the Report.
2. Activities and workers	**GRI 2: General Disclosures 2021**	2–6.	Activities, value chain and other business relationships	Business Model, p. 7	
		2–7.	Employees	Headcount and personnel, p. 62 Additional indicators, p. 173	The Company does not have any employment contracts that do not guarantee the completion and payment of a certain number of working hours. The information on the headcount in existing breakdowns is consolidated at the level of PJSC ALROSA.
		2–8.	Workers who are not employees	–	The main types of work are performed by employees of ALROSA Group companies. The information on the number of people working on the basis of civil law contracts and other contractual agreements is not disclosed, since records are not kept. The average headcount of contractors controlled by the Company in 2024 was 1,743 employees.

	DISCLOSURE			SECTION	COMMENT
3. Governance	GRI 2: General Disclosures 2021	2–9.	Governance structure and composition	Sustainability management, p. 16, 17, 18	
		2–10.	Nomination and selection of the highest governance body	GRI content index	The Supervisory Board consists of 15 members elected by the General Meeting of Shareholders by cumulative voting for a term up to the next annual General Meeting of Shareholders. A member of the Supervisory Board must inform the Board of having an interest in the Company entering into a transaction in the event of a potential conflict of interest. For more information on the procedure for election, the rights and duties of the Supervisory Board members, the rules of election and work of members of the Committees of the Supervisory Board, see the corporate documents section on the Company's website.
		2–11.	Chair of the highest governance body	GRI content index	The Chairman of the Supervisory Board is not an executive director. For more information on the rights, duties and responsibilities of the Chairman of the Supervisory Board, see the Regulations on the Supervisory Board of PJSC ALROSA [1].
		2–12.	Role of the highest governance body in overseeing the management of impacts	Sustainability management, p. 16	
		2–13.	Delegation of responsibility for managing impacts	Sustainability management, p. 17	Meetings and absentee votings of the Supervisory Board, are held in accordance with the approved Plan and as a required, usually at least once every two months. Members of the Executive Committee, the Audit Commission, the Company employees and other persons on the list approved by the Chairman of the Supervisory Board may be invited to meetings of the Supervisory Board. For more information on the participation of members of the Executive Committee, the Audit Commission and Company employees in meetings of the Supervisory Board, see the Regulations on the Supervisory Board of PJSC ALROSA [2]
		2–14.	Role of the highest corporate governance body in sustainability reporting	Sustainability management, p. 16	The Sustainability Report 2024, which has been independently assured, is subject to consideration at a meeting of the Strategy and Sustainability Committee under the Supervisory Board and approval by the Supervisory Board.
		2–15.	Conflicts of interest	Approach to business ethics and anti-corruption, p. 40	For more information about the Company's approach to managing conflicts of interest, see the Regulations on the Supervisory Board of PJSC ALROSA [3]. The information about the conflicts of interest is not disclosed to stakeholders.
		2–16.	Communication of critical concerns	Sustainability management, p. 17	Critical concerns are communicated to the Supervisory Board by means of prompt distribution of the latest data and preparation of reports on relevant issues.
		2–17.	Collective knowledge of the highest governance body	GRI content index	To extend and improve the industry knowledge of the Supervisory Board members, develop their professional skills and ensure that they perform their functions and duties properly, the Company supports the training and professional development of the Supervisory Board members in accordance with individual development programs. For more information on the principles and approaches to organizing the training and professional development of the Supervisory Board members, see Appendix 3 to the Regulations on Assessment of Performance of the Supervisory Board of PJSC ALROSA [4]. The Committees of the Supervisory Board, the Chief Executive Officer – Chairman of the Executive Committee and the Executive Committee are regularly informed of current sustainability issues and consider these issues within their authority.

[1] The link shows the new edition of the Regulations on the Supervisory Board of PJSC ALROSA approved by the decision of the General Meeting of Shareholders on 23.05.2025.
[2] The link shows the new edition of the Regulations on the Supervisory Board of PJSC ALROSA approved by the decision of the General Meeting of Shareholders on 23.05.2025.
[3] The link shows the new edition of the Regulations on the Supervisory Board of PJSC ALROSA approved by the decision of the General Meeting of Shareholders on 23.05.2025.
[4] This document is only available in Russian.

	DISCLOSURE			SECTION	COMMENT
3. Governance	**GRI 2: General Disclosures 2021**	2–18.	Evaluation of the performance of the highest governance body	GRI content index	In 2024, the activity of the Company's Supervisory Board and its Committees was assessed externally by an independent organization. According to the results of the assessment, the Supervisory Board's performance is highly efficient, and the Supervisory Board members have a high level of professionalism and competence. The Committees have been formed efficiently, their composition is optimal and meets the Company's needs. The quality of the Committees' recommendations was recognized as high. Recommendations on how to further improve Supervisory Board's performance were considered by the HR and Remuneration Committee and the Supervisory Board. In 2024, the overall average performance assessment was 3.98 out of 4 (3.97 in 2023). For more information on the assessment of the Supervisory Board and its Committees in terms of their performance in 2024, see the Company's 2024 Annual Report and the Regulations on Assessment of Performance of the Supervisory Board of PJSC ALROSA [1].
		2–19.	Remuneration policies	Sustainability management, p. 18	Remuneration to the Supervisory Board members may be paid for participating in the work of the Supervisory Board (base remuneration) and for performing the functions of the Chairman of the Supervisory Board or a senior independent director, as well as for chairmanship and/or membership of the Committees of the Supervisory Board (additional remuneration). There are no other forms of remuneration. For remuneration policy of the Supervisory Board, see the Regulations on Remuneration to Members of the Supervisory Board of PJSC ALROSA [1]. The Company also has Regulations on the long-term bonus program for executives. The long-term incentive program is based on growth in shareholder returns. Members of the collegial executive body, heads of subsidiaries, divisions and other employees whose activities have a significant impact on production and financial performance, and growth in shareholder value may participate in the Program. For more information on the remuneration of members of the Supervisory Board and members of the executive body, see the Company's 2024 Annual Report and the Report of the Equity Securities of PJSC ALROSA for the 12 months of 2024.
		2–20.	Process to determine remuneration	GRI content index	The Company's Department of Remuneration and Organizational Design Methodology calculates the total forecast amount of remuneration to be paid to the Supervisory Board members. For information on determining the remuneration of members of the Supervisory Board and members of the executive body, see the Company's 2024 Annual Report and the Regulations on Remuneration of Members of the Supervisory Board of PJSC ALROSA [2]
		2–21.	Annual total compensation ratio	–	The Company does not calculate the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual).
4. Strategy, policies and practices	**GRI 2: General Disclosures 2021**	2–22.	Statement on sustainable development strategy	Message from the Chief Executive Officer – Chairman of the Executive Committee, p. 2	
		2–23.	Policy commitments	Strategic priorities and objectives, p. 15 Contribution to achieving the UN Sustainable Development Goals, p. 28 Approach to business ethics and anti-corruption, p. 39 Human rights, p. 46	

[1] This document is only available in Russian.
[2] The link contains a new version of the Regulations on Remuneration of Members of the Supervisory Board, approved by the resolution of the General Meeting of Shareholders of 23 May 23 2025. The Regulation applies to relations that have arisen since the date of the annual meeting of the General Meeting of Shareholders following the results of 2024, and its provisions apply to the calculation of remuneration (basic and additional) to members of the Supervisory Board elected at the annual General Meeting of the General Meeting of Shareholders following the results of 2024, as well as after the specified date.
[3] Shareholders on 23 May 23 2025. The Regulation applies to relations that have arisen since the date of the annual General Meeting of Shareholders following the results of 2024, and its provisions apply to the calculation of remuneration (basic and additional) to members of the Supervisory Board elected at the annual General Meeting of Shareholders following the results of 2024, as well as after the specified date.

	DISCLOSURE			SECTION	COMMENT
4. Strategy, policies and practices	**GRI 2: General Disclosures 2021**	2–24.	Embedding policy commitments	Strategic priorities and objectives, p. 15 Approach to business ethics and anti-corruption, p. 39 Human rights, p. 46	
		2–25.	Processes to remediate negative impacts	Management of sustainability risks and opportunities, p. 21 The Compliance Hotline, p. 42 Human rights, p. 46	
		2–26.	Mechanisms for seeking advice and raising concerns	The Compliance Hotline, p. 42 Human rights, p. 46 Approach to HR management, p. 61	
		2–27.	Compliance with laws and regulations	Approach to environmental management, p. 114	In 2024, there were no penalties for violation of tax legislation. In the reporting year, there were no penalties for non-compliance with environmental laws and regulatory requirements by the Company. There were no significant cases of non-compliance with regulatory requirements, i.e., cases that resulted in administrative suspension of ALROSA Group's activities in 2024.
		2–28.	Membership associations	Participation in organizations and associations, p. 11 International industry cooperation, p. 34	
5. Stakeholder engagement	**GRI 2: General Disclosures 2021**	2–29.	Approach to stakeholder engagement	Stakeholder engagement, p. 33 Carbon management, p. 94 Appendices, p. 181	
		2–30.	Collective bargaining agreements	GRI content index	The percentage of employees covered by the collective bargaining agreement is 94% or 33,314 people (94% in 2023, 94% in 2022). Benefits under the Collective Agreement apply to all employees of the Company. All obligations assumed by the Company to implement corporate social responsibility measures in respect of its employees are set out in the Collective Agreement between PJSC ALROSA and the Profalmaz Interregional Trade Union of Employees of PJSC ALROSA (Public Organization)[1], as well as in the Social Policy of PJSC ALROSA[2]

MATERIAL TOPICS

	GRI 3: Material Topics 2021	3–1.	Process to determine material topics	About the Report and materiality, p. 149	
		3–2.	List of material topics	Materiality assessment, p. 150	

[1] This document is only available in Russian.
[2] This document is only available in Russian.

	DISCLOSURE			SECTION	COMMENT
Occupational health and safety	**GRI 3: Material Topics 2021**	3–3.	Management of material topics	Approach to occupational health and safety management, p. 80 Employee participation in OHS management, p. 80 Contractor and supplier safety management, p. 81	
	GRI 403: Occupational Health and Safety 2018	403–1.	Occupational health and safety management system	Occupational health and safety, p. 79 Approach to occupational health and safety management, p. 80 Contractor and supplier safety management, p. 81	
		403–2.	Hazard identification, risk assessment, and incident investigation	The Compliance Hotline, p. 42 Prevention of emergencies, p. 83 Occupational injuries, p. 85	
		403–3.	Occupational health services	Health protection and prevention of occupational diseases, p. 87	
		403–4.	Worker participation, consultation, and communication on occupational health and safety	Occupational health and safety, p. 79 Employee participation in OHS management, p. 80	
		403–5.	Worker training on occupational health and safety	Training and development of a safety culture, p. 81	
		403–6.	Promotion of worker health	Social support and partnership, p. 73 Health protection and prevention of occupational diseases, p. 87	
		403–7.	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Contractor and supplier safety management, p. 81	In accordance with the Supplier Code of Business Ethics, the Company expects all suppliers and contractors to comply with health and safety standards.
		403–8.	Workers covered by an occupational health and safety management system	Approach to occupational health and safety management, p. 80	The OHS management system applies to all employees of the Company, and the safety provisions of the OHS management system related to the presence and movement within the Company's facilities apply to all people located in the territory, buildings and structures of the Company, including representatives of supervisory and control authorities, and also to employees of contractors operating within the Company's territory. The number of employees covered by the OHS management system who underwent an external certification audit for compliance with GOST R ISO 45001:2020 in 2024 is 15,515 employees (44.4% of the average headcount of ALROSA Group).

	DISCLOSURE		SECTION	COMMENT
Occupational health and safety	**GRI 403: Occupational Health and Safety 2018**	403–9. Work-related injuries	Prevention of emergencies, p. 85	Rates are based on 200,000 hours worked. To calculate the rates, the following values of man-hours worked were used: for ALROSA Group employees: ■ 2022 – 57,851,306; ■ 2023 – 61,062,702; ■ 2024 – 61,750,030. For contractor employees: ■ 2022 – 1,903,174; ■ 2023 – 5,122,609; ■ 2024 – 2,174,371. Injury rates taking into account microtraumas requiring assistance beyond first aid (that is, requiring medical attention) are not disclosed due to a lack of practice in collecting information for the Report
		403–10. Work-related ill health	Health protection and prevention of occupational diseases, p. 87	No records of deaths from occupational diseases are kept. Records of occupational diseases among contracting organizations are not kept.
Decent working conditions	**GRI 3: Material Topics 2021**	3–3. Management of material topics	Approach to HR management, p. 61	
	GRI 202: Market Presence 2016	202–1. Ratios of standard entry level wage by gender compared to local minimum wage	Remuneration and motivation, p. 68	The Company's significant regions of operations are the Russian Federation as a whole and, in particular, the regions where the key assets of ALROSA Group are located (the Republic of Sakha (Yakutia), the Arkhangelsk Region, the Smolensk Region, St. Petersburg).
		202–2. Proportion of senior management hired from the local community	GRI content index	The percentage of the Company's senior management hired from among representatives of the local community is 100% (i.e., all senior managers are citizens of the Russian Federation). Senior managers are the Chief Executive Officer – Chairman of the Executive Committee and all his deputies. For the purpose of disclosing this indicator, the significant regions of the Company's operations are understood as the Russian Federation as a whole. Local community – citizens of the Russian Federation (without taking into account the ethnic composition and cultural characteristics of the population)
	GRI 401: Employment 2016	401–1. New employee hires and employee turnover	Headcount and personnel, p. 62 Employee recruitment and onboarding, p. 64 Additional indicators, p. 176, 177	ALROSA discloses turnover rate based on management accounting, which is used within the Company to analyze processes. When calculating it, the number of employees who left the Company in 2024 was taken into account: 2,967 people (the value includes certain grounds for termination of the employment contract). There is no accounting of the total number of employees who left ALROSA Group for all reasons for termination of their employment contract, and the general (full) staff turnover rate, including breakdown by age groups, gender and regions.
		401–2. Benefits provided to full-time employees that are not provided to temporary or part-time employees	GRI content index	Benefits for employees employed under an employment contract are provided regardless of the terms of employment. Benefits do not apply to external part-time workers and civil law contractors. The Company's significant regions of operations are the Russian Federation as a whole and, in particular, the regions where the key assets of ALROSA Group are located (the Republic of Sakha (Yakutia), the Arkhangelsk Region, the Smolensk Region, St. Petersburg).
		401–3. Parental leave	GRI content index	In the Company's significant region of operations (Russian Federation), all employees are guaranteed the right to maternity and parental leave in accordance with the Labor Code of the Russian Federation. The information required by GRI is not reported.

	DISCLOSURE			SECTION	COMMENT
Decent working conditions	**GRI 402: Labour/ Management Relations (2016)**	402–1.	Minimum notice periods regarding operational changes	GRI content index	Notice periods are specified in the Collective Agreement for 2023–2025 for all employees, regardless of their category and their membership in trade unions. For more information on notice periods, see the Collective Agreement for 2023–2025[1].
	GRI 405: Diversity and Equal Opportunity 2016	405–1.	Diversity of governance bodies and employees	Sustainability management, p. 17 Additional indicators, p. 174, 175	
		405–2.	Ratio of basic salary and remuneration of women to men	Additional indicators, p. 177	Employee remuneration is provided in accordance with Convention No. 100 of the International Labour Organization – the principle of equal remuneration for men and women for work of equal value is applied. There is no difference between the basic wage rate for women and the basic wage for men for all categories of employees and their regions of work. The ratio is 1:1. The Company's significant regions of operation are the Russian Federation as a whole and, in particular, the regions where the key assets of ALROSA Group are located (the Republic of Sakha (Yakutia), the Arkhangelsk Region, the Smolensk Region, St. Petersburg).
Employee training and development	**GRI 3: Material Topics 2021**	3–3.	Management of material topics	Approach to HR management, p. 61 Training and development, p. 70	
	GRI 404: Training and Education 2016	404–1.	Average hours of training per year per employee	Training and development, p. 72	
		404–2.	Programs for upgrading employee skills and transition assistance programs	Training and development, p. 70 Learning and development programs, p. 70	
		404–3.	Percentage of employees receiving regular performance and career development reviews	Personnel assessment, p. 72	In 2024, 1.5% of employees received a performance review: ■ 1.1% of men and 2.3% of women; ■ 3.3% of managers and 4.7% of specialists.
Interaction with local communities and indigenous peoples	**GRI 3: Material Topics 2021**	3–3.	Management of material topics	Support for indigenous small-numbered peoples, p. 144	
	GRI 411: Rights of Indigenous Peoples 2016	411–1.	Incidents of violations involving rights of Indigenous peoples	GRI content index	No incidents of violations involving rights of indigenous peoples were recorded in the reporting period.
	GRI 413: Local communities 2016	413–1.	Operations with local community engagement, impact assessments, and development programs	Approach to social investment management, p. 138	Programs for interaction with local communities are implemented in all ALROSA's Diamond Mining and Processing Operations (10% of organizations included in the scope of the Report).

[1] This document is only available in Russian.

	DISCLOSURE			SECTION	COMMENT
Interaction with local communities and indigenous peoples	**GRI 413: Local communities**	413–2.	Operations with significant actual and potential negative impacts on local communities	Tailings management, p. 127	The Company considers risks associated with hydraulic structures to be potential negative impacts. At the same time, according to the safety declarations, there are no residential buildings with permanent or temporary residents in the areas of expected flooding. During the period of operation of the ALROSA hydraulic structures, the actual risk of flooding of populated areas has not occurred. In the Russian Federation, ALROSA Group operates hydraulic structures in the Republic of Sakha (Yakutia) and in the Arkhangelsk Region.
Development of the regions of operations	**GRI 3: Material Topics 2021**	3–3.	Management of material topics	Approach to social investment management, p. 138	
	GRI 203: Indirect Economic Impacts (2016)	203–1.	Infrastructure investments and services supported	Social investments in the development of the regions of operations, p. 139	Management accounting data are provided.
		203–2.	Significant indirect economic impacts	Social investments in the development of the regions of operations, p. 139	
	GRI 204: Procurement Practices 2016	204–1.	Proportion of procurement from local suppliers	Procurement from local suppliers, p. 145	Local suppliers are those registered and operating in the region of registration of PJSC ALROSA or its subsidiaries (Yakutia, the Arkhangelsk Region, the Altai Territory, the Smolensk Region, etc.). For subsidiaries registered and operating abroad, all suppliers operating in the country of registration of the subsidiaries are considered local. The calculation of indicator 204-1 is based on contract amounts for 2024. When calculating the indicator, intragroup purchases are included.
Biodiversity and land resources	**GRI 3: Material Topics 2021**	3–3.	Management of material topics	Land rehabilitation and reforestation, p. 129 Biodiversity conservation, p. 131	
	GRI 304: Biodiversity 2016	304–1.	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Monitoring and assessment of the impact on biodiversity, p. 131	The area of five licensed areas located on the territory or in the immediate vicinity of specially protected natural areas is 20,150.5 km².
		304–2.	Significant impacts of activities, products, and services on biodiversity	Monitoring and assessment of the impact on biodiversity, p. 131	
		304–3.	Habitats protected or restored	Land rehabilitation and reforestation, p. 129	The information is reported in line with the land rehabilitation and reclamation practices specified in Russian laws.
		304–4.	IUCN Red List species and national conservation list species with habitats in areas affected by company's operations	Monitoring and assessment of the impact on biodiversity, p. 131	
Water resources management	**GRI 3: Material Topics 2021**	3–3.	Management of material topics	Use of water resources, p. 118	
	GRI 303: Water and Effluents 2016	303–1.	Interactions with water as a shared resource	Water use, p. 119 Water use indicators, p. 121	

	DISCLOSURE		SECTION	COMMENT
Water resources management	**GRI 303: Water and Effluents 2018**	303–2. Management of water discharge-related impacts	Water use, p. 119	ALROSA Group's enterprises discharging wastewater are not located in regions with no discharge requirements or standards. ALROSA Group discharges wastewater in accordance with statutory discharge standards.
		303–3. Water withdrawal	Water use indicators, p. 121	ALROSA Group withdraws only freshwater. In addition, in 2024 there was a natural fresh water inflow of 49.9 million m³ and withdrawal of other water of 16.4 million m³ from subsoil horizons and sedimentation tanks. Total water withdrawal and water inflow was 93.2 million m³. There is no water withdrawal in water scarce regions, since ALROSA Group companies do not withdraw water in regions that, in accordance with the draft Water Strategy until 2035, are classified as regions with water resources shortage.
		303–4. Water discharge	Water use indicators, p. 121 Additional indicators, p. 179	The Group discharges only fresh wastewater. In addition, the discharge of other waters into subsoil horizons reached 3.3 million m³ in 2024. Total discharge of fresh and other water was 84.7 million m³. There is no discharge of wastewater in areas with water shortages, since ALROSA Group companies do not carry out wastewater discharge in regions that, in accordance with the draft Water Strategy until 2035, are classified as regions with water resources shortages. According to existing requirements, 28 quality indicators are standardized for treated wastewater that is allowed to be discharged into surface waters. In the reporting year, there were no significant violations of the established standards.
		303–5. Water consumption	GRI content index	The total volume of water consumption as the volume of water withdrawn from circulation (withdrawal from all sources less water discharge for all facilities) was 8,570 thousand m³. The volume of water storage in tanks (dredge pits and tanks of placer deposits) decreased by 1,616 thousand m³.
Tailings dams operation	**GRI 3: Material Topics 2021**	3–3. Management of material topics	Tailings management, p. 127	
	GRI 306: Effluents and Waste 2016	306–3. Significant spills	Approach to environmental risks management, p. 114	
Climate change and GHG emissions	**GRI 3: Material Topics 2021**	3–3. Management of material topics	Carbon management, p. 94 Energy management, p. 95	
	GRI 305: Emissions 2016	305–1. Direct (Scope 1) GHG emissions	Goals and metrics, p. 107	The Group does not have biogenic emissions. The calculation of direct emissions includes carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O). The emission factors used to calculate Scope 1emissions were taken from the following sources: ■ UK Government GHG Conversion Factors for Company Reporting, 2021; ■ Emission Factors for Greenhouse Gas Inventories, 2021.

	DISCLOSURE			SECTION	COMMENT
Climate change and GHG emissions	**GRI 305: Emissions 2016**	305–2.	Energy indirect (Scope 2) GHG emissions	Goals and metrics, p. 107	The calculation of energy indirect emissions includes carbon dioxide (CO_2). The emission factors used to calculate Scope 2 emissions were taken from the following sources: ■ GHG emission factor of the Russian power system, JSC ATS, https://www.atsenergo.ru/results/co2all; ■ Preliminary National Standard of the Russian Federation "Green" standard. "Green" products and "Green" technologies. Carbon footprint reduction assessment methodology, PNST 646-2022. At the same time, a coefficient of 0 was applied to the consumption of electricity in the Western power region of the Republic of Sakha (Yakutia), since the generation in the Western power region is mainly provided by renewable energy (HPP) and the Western power region is energy-efficient. Indirect energy emissions calculated using the location-based method amounted to 24,973 tons of CO_2-equivalent; market-based – 25,164 tons of CO_2-equivalent
		305–3.	Other indirect (Scope 3) GHG emissions	Goals and metrics, p. 107	The Group does not have biogenic emissions. The calculation of other indirect emissions includes carbon dioxide (CO_2). The emission factors used to calculate Scope 3 emissions were taken from the following sources: ■ UK Government GHG Conversion Factors for Company Reporting, 2021; ■ US Env Protection Agency (EPA) eGrid
		305–4.	GHG emissions intensity	Goals and metrics, p. 107	The calculation of emissions intensity includes carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O).
		305–5.	Reduction of GHG emissions	Climate strategy, p. 100	
Quality of corporate governance	**GRI 3: Material Topics 2021**	3–3.	Management of material topics	Sustainability management, p. 16 Approach to business ethics and anti-corruption, p. 39	
Economic performance	**GRI 3: Material Topics 2021**	3–3.	Management of material topics	Business Model, p. 7 Social investments management, p. 138	For more details on operating and financial performance of ALROSA in 2024, see the Company's 2024 Annual Report.
	GRI 201: Economic Performance 2016	201–1.	Direct economic value generated and distributed	Business Model, p. 9	
		201–2.	Financial implications and other risks and opportunities due to climate change	Risks and opportunities due to climate change, p. 102	Financial assessment of climate risks was not carried out. Such assessment is planned for 2026 in accordance with the Climate Strategy implementation schedule.

	DISCLOSURE			SECTION	COMMENT
Economic performance	**GRI 201: Economic Performance 2016**	201–3.	Defined benefit plan obligations and other retirement plans	Pension plan, p. 74	ALROSA makes mandatory payments to the Pension Fund of the Russian Federation on behalf of its employees, representing a defined contribution pension plan made for the benefit of employees. ALROSA also offers its employees non-state defined benefit pension plans. Non-state pension support is provided through a separate legal entity – JSC Almaznaya Osen Non-State Pension Fund (reorganized by merging into the Non-State Pension Fund GAZFOND Pensions in April 2024). ALROSA Group's non-state pension obligations are covered by contributions to non-state pension funds. A parity program has been in place since July 1, 2017, under which the funding of non-state pensions is provided by the Company jointly with employees on a parity basis. This program is a defined contribution plan. Under the non-parity pension program, the accounting of employee length of service for the purposes of calculating non-state pensions was discontinued on 30 June 2017, while ALROSA retained the obligation to pay pensions to employees with 15 years of service or more. As of 31 December 2024, the current value of the Company's funded and unfunded pension plan liabilities was RUB 3,943 million and the fair value of pension plan assets was RUB 64 million. Liabilities are covered by 1.6%[1]. In 2024, the Company did not calculate the share of wages paid by the employee and the share of wages paid by the employer.
		201–4.	Financial assistance received from government	GRI content index	For more information on the government subsidies received by the Company in 2024 for the construction of infrastructure facilities, reimbursement of lost income, compensation of the effects of tariff regulation and other purposes, see the IFRS Disclosed Consolidated Financial Statements for 2024 (Notes 16). The key shareholders are the Russian Federation (33%) and the Republic of Sakha (Yakutia) (25%).
	GRI 207: Tax 2019	207–1.	Approach to tax	GRI content index	As the largest taxpayer in the regions of operations, ALROSA strictly complies with applicable tax legislation and pays federal, regional and local taxes on time and in full. ALROSA pays taxes in accordance with the Tax Code of the Russian Federation and other applicable laws on taxes and fees, therefore, the Company does not have a tax strategy as a separate document. The Company considers its tax contributions to the budgets of various levels as a contribution to the sustainability of the regions of operations. The Company's operations are based on the principles of integrity and openness of information to the tax authorities.
		207–2.	Tax governance, control, and risk management	GRI content index	The Company's Tax Department is responsible for organizing the process of performing ALROSA's tax obligations. Tax accounting, tax calculation, preparation and filing of tax reports, accounting of tax liabilities, payment of taxes, provision of documents and information to tax and other controlling authorities within the framework of control measures is performed by a specialized enterprise of ALROSA Group. The Audit Committee of the Supervisory Board ensures control of the completeness, accuracy and reliability of financial and accounting reports and the performance of tax obligations. The Company regularly monitors regulatory changes and addenda to ensure compliance with all established tax and risk management requirements in this area. For more details on ALROSA's control system in 2024, see the Company's 2024 Annual Report. Information on the Company's performance of tax liabilities is disclosed in financial statements, which are regularly independently audited. For more details, see the IFRS Disclosed Consolidated Financial Statements for 2024. Any stakeholder may report potential violations of tax liabilities by the Company to the Compliance Hotline. In the reporting year, there were no complaints from stakeholders about the Company's non-compliance with tax legislation.
	GRI 206: Anti-competitive Behavior 2016	206–1.	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	GRI content index	In 2024, ALROSA received no requests, instructions or penalties from the Federal Antimonopoly Service of Russia in connection with violations by the Company of Federal Law No. 135-FZ On Protection of Competition dated 26.07.2006.

[1] The amount is presented on the basis of the IFRS Disclosed Consolidated Financial Statements for 2024.

	DISCLOSURE			SECTION	COMMENT
Compliance with laws and business ethics principles	**GRI 3: Material Topics 2021**	3–3.	Management of material topics	Approach to business ethics and anti-corruption, p. 39 The Compliance Hotline, p. 42	
	GRI 205: Anti-corruption 2016	205–1.	Operations assessed for risks related to corruption	GRI content index	All ALROSA's divisions and counterparties are assessed for risks by the security service. In the reporting year, ALROSA developed recommendations for assessing corruption risks and formed a working group to assess such risks. Reporting on the number of divisions that have been assessed for the risk of corruption will be prepared in 2025.
		205–2.	Communication and training about anti-corruption policies and procedures	Approach to business ethics and anti-corruption, p. 39 Additional indicators, p. 180	All employees and contractors (100%) of the Company are familiar with the Anti-Corruption Policy. No record is kept of the total number of employees and contractors whom the organization's anti-corruption policies and procedures have been communicated to during the reporting year, or by region, category of employee, or category of business partner.
		205–3.	Confirmed incidents of corruption and actions taken	Approach to business ethics and anti-corruption, p. 39 Principles of interaction with counterparties on business ethics issues, p. 41	In the reporting year, there were no court cases against employees, the decisions of which entered into legal force. There were no recorded cases of fraud or corruption in the Company. In the reporting year, 20,257 audits of business partners were carried out regarding risks associated with corruption. There were no cases of termination or non-renewal of contracts with business partners due to corruption-related violations.
Respect for human rights and non-discrimination	**GRI 3: Material Topics 2021**	3–3.	Management of material topics	Human rights, p. 46	
	GRI 406: Non-discrimination 2016	406–1.	Incidents of discrimination and corrective actions taken	The Compliance Hotline, p. 42	No incidents of discrimination were identified in the reporting year
	GRI 407: Freedom of Association and Collective Bargaining 2016	407–1.	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	GRI content index	None identified in the reporting period.
	GRI 408: Child Labour 2016	408–1.	Operations and suppliers at significant risk for incidents of child labor	Human rights, p. 46	No incidents of child labor or the related risks were identified.
	GRI 409: Forced or Compulsory Labour 2016	409–1.	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human rights, p. 46	No incidents of forced or compulsory labor and the related risks were identified.
	GRI 410: Security Practices 2016	410–1.	Security personnel trained in human rights policies or procedures	GRI content index	The share of security personnel trained in human rights in 2024 is approximately 4%.
	GRI 418: Customer Privacy 2016	418–1.	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information security, p. 55	

	DISCLOSURE			SECTION	COMMENT
Stakeholder engagement	**GRI 3: Material Topics 2021**	3–3.	Management of material topics	Sustainability management, p. 16 Approach to business ethics and anti-corruption, p. 39 The Compliance Hotline, p. 42 Approach to HR management, p. 61 Occupational health and safety, p. 80 Environmental protection, p. 114 Development of the regions of operations, p. 138 Appendices, p. 181	
	GRI 415: Public Policy 2016	415–1.	Political contributions	GRI content index	The Company adheres to the principle of neutrality with respect to political parties and associations and does not make political donations.
	GRI 416: Customer Health and Safety 2016	416–1.	Assessment of the health and safety impacts of product and service categories	–	Not applicable
		416–2.	Incidents of non-compliance concerning the health and safety impacts of products and services	–	Not applicable

ADDITIONAL SIGNIFICANT TOPICS

Energy consumption and energy efficiency	**GRI 302: Energy 2016**	302–1.	Energy consumption within the organization	Energy consumption and energy efficiency metrics, p. 108 Additional indicators, p. 178	The consumption and sale of energy for cooling is not typical for the Group. The conversion factors for fuel and energy resources to standard fuel and GJ were adopted in accordance with Appendix No. 2 to the Methodological Recommendations for Calculating the Key Indicator of Energy Efficiency of the Innovative Development Program of PJSC ALROSA. The fuel oil conversion coefficient was adopted in accordance with Order No. 300 of the Russian Ministry of Natural Resources dated 30.06.2015. The conversion coefficient for natural gas was adopted in accordance with the internal document – Order of the First Deputy Chief Executive Officer – Executive Director No. 02/243-R "On Approval of Coefficients for Conversion of Natural fuels to Conventional fuels" dated 29.07.2021.
		302–2.	Energy consumption outside of the organization	–	Energy consumption outside of the organization is not reported.
		302–3.	Energy intensity	Energy consumption and energy efficiency metrics, p. 107	

	DISCLOSURE		SECTION	COMMENT
Energy consumption and energy efficiency	**GRI 302: Energy 2016**	302–4. Reduction of energy consumption	Energy consumption and energy efficiency metrics, p. 108	The amount of reductions in energy consumption achieved as a result of conservation initiatives is given as compared to the previous period. The calculation includes fuel, electricity and heating the consumption of which was reduced through process redesign, replacement of equipment, organizational and other measures. The Company does not have an approved calculation methodology. The reductions in consumption are calculated if there are metering devices using the statistical method under comparable conditions, and if there are no metering devices – using the calculation method based on the characteristics or operating mode of the equipment before and after the implementation of the relevant measure.
		302–5. Reductions in energy requirements of products and services	–	Not applicable
Industrial waste management	**GRI 306: Waste 2020**	306–1. Waste generation and significant waste-related impacts	Waste management, p. 123	The Group's waste-related data and waste-related impacts are monitored and controlled through production environmental control and production environmental monitoring (monitoring of generation, accumulation, recovery/neutralization performed internally and by third-party organizations; monitoring of waste disposal at internal and third-party waste disposal facilities). Waste-related data is collected and relevant reports are prepared using the information analysis system for environmental monitoring. The system provides for visualization of data using various types of dashboards and exchange of information, including data on solid waste landfills, waste disposal facilities and unauthorized landfills.
		306–2. Management of significant waste-related impacts	Water use, p. 121 Waste management, p. 124 Tailings management, p. 127	
		306–3. Waste generation	Waste management, p. 123 Waste generation and management indicators, p. 124 Additional indicators, p. 179	
		306–4. Waste diverted from disposal	Waste management, p. 124 Additional indicators, p. 179	Information on waste management is presented in accordance with 2-TP statistical reporting form (waste) due to the absence in the Russian practice of waste management accounting in accordance with the approach of GRI 306 Standards (2020).
		306–5. Waste directed to disposal	Waste management, p. 124 Additional indicators, p. 179	The breakdown of waste directed to disposal by hazardous and non-hazardous waste is not disclosed, since only non-hazardous waste may be landfilled/stored at inhouse and third-party facilities. Information on waste management is presented in accordance with 2-TP statistical reporting form (waste) due to the absence in the Russian practice of waste management accounting in accordance with the approach of GRI 306 Standards (2020).
Air emissions	**GRI 305: Emissions 2016**	305–6. Emissions of ozone-depleting substances (ODS)	GRI content index	The information is planned to be disclosed in the next reporting period based on the results of the adjustment of the data of the inventory of sources of pollutant emissions
		305–7. Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Air emissions, p. 118	The Company does not emit any persistent organic pollutants as defined by the Stockholm Convention. In addition, the category of hazardous air pollutants is not disclosed. Records of this category are not kept, as it is not required by the Russian legislation.

	DISCLOSURE		SECTION	COMMENT
Ensuring responsible supply chains	**GRI 308: Supplier Environmental Assessment 2016**	308–1. New suppliers that were screened using environmental criteria	Stakeholder engagement on environmental issues, p. 115 Procurement from local suppliers, p. 146	During the mandatory audit by the security personnel, 100% of suppliers were assessed against ESG criteria including, among others, compliance with industrial safety, labor law, environmental management and environmental protection requirements. 26% of suppliers underwent an additional voluntary ESG survey.
		308–2. Negative environmental impacts in the supply chain and actions taken	Procurement from local suppliers, p. 146	In the reporting year, as part of the control of supplier organizations, a violation of the technological process and OHS requirements was identified at the factory manufacturing special footwear. The decision was made to discontinue the relationship with the supplier.
	GRI 414: Supplier Social Assessment 2016	414–1. New suppliers that were screened using social criteria	Procurement from local suppliers, p. 146	In the reporting year, 100% of suppliers were assessed against mandatory ESG criteria, including occupational health and safety, business ethics standards, labor rights and human rights
		414–2. Negative social impacts in the supply chain and actions taken	Procurement from local suppliers, p. 146	In the reporting year, as part of the control of supplier organizations, a violation of the technological process and OHS requirements was identified at the factory manufacturing special footwear. The decision was made to discontinue the relationship with the supplier.
	GRI 417: Marketing and Labeling 2016	417–1. Requirements for product and service information and labelling	GRI content index	The Company strictly complies with the Kimberley Process Certification Scheme and applicable laws. The Company guarantees that all supplied rough diamonds have been mined in the Russian Federation or acquired from legitimate sources and are not conflict diamonds in accordance with the UN resolutions and relevant national laws. Polished diamonds produced by ALROSA for retail sales are certified in gemological laboratories and receive a passport with individual characteristics.
		417–2. Incidents of non-compliance concerning product and service information and labeling	GRI content index	In the reporting year, no incidents of non-compliance with regulations concerning product information provided by the Company were identified.
		417–3. Incidents of non-compliance concerning marketing communications	GRI content index	In the reporting year, no incidents of non-compliance by the Company with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, were identified.

Compliance with the principles of the UN Global Compact

AREAS OF RESPONSIBILITY	PRINCIPLE OF THE UN GLOBAL COMPACT	SECTION
Human rights	Businesses should support and respect the protection of internationally proclaimed human rights	Human rights Support for indigenous small-numbered peoples
	Businesses should make sure that they are not complicit in human rights abuses	
Labour	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Human rights Approach to HR management
	Businesses should uphold the elimination of all forms of forced and compulsory labour	
	Businesses should uphold the effective abolition of child labour	
	Businesses should uphold the elimination of discrimination in respect of employment and occupation	
Environment	Businesses should support a precautionary approach to environmental challenges	Approach to environmental management
	Businesses should undertake initiatives to promote greater environmental responsibility	
	Businesses should encourage the development and diffusion of environmentally friendly technologies	
Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery	Business ethics and anti-corruption

Table of Compliance with the Guidelines of the Ministry of Economic Development (MED) of Russia

	NO.	INDICATOR	SECTION	COMMENT
Economic indicators	**MED-1**	Revenue (its equivalent)	Business Model, p. 8, 9	The indicator is calculated as the sum of sales revenue and subsidy income.
	MED-2	Value added	–	The indicator is not disclosed. The Company will consider the possibility of disclosing this information in the following reporting periods
	MED-3	Net value added	–	
	MED-4	General R&D expenses	Innovations, p. 50	
	MED-5	Labor productivity	–	The indicator is not disclosed. The Company will consider the possibility of disclosing this information in the following reporting periods
	MED-6	Statutory payments accrued (excluding fines and penalties), total, including: ■ taxes and levies ■ insurance contributions ■ other statutory payments	Table of Compliance with the Guidelines of the MED of Russia	The amount of accrued: ■ taxes and levies – RUB 40 billion ■ insurance contributions – RUB 22.4 billion
	MED-7	Statutory payments effected (excluding fines and penalties), total, including: ■ taxes and levies ■ insurance contributions ■ other statutory payments	Table of Compliance with the Guidelines of the MED of Russia	The amount of affected: ■ taxes and levies – RUB 35.1 billion ■ insurance contributions – RUB 22.1 billion
	MED-8	Share of purchases of Russian goods, works and services in the total purchases of goods, works and services	Table of Compliance with the Guidelines of the MED of Russia	The share of purchases of Russian goods, works and services in the total volume of purchases of goods, works and services amounted to 99.6% in 2024 (99.6% in 2023).
	MED-9	Share of purchases of goods, works and services from SMEs in the total purchases from Russian entities	Procurement from local suppliers, p. 146	The share of purchases of goods, works and services from small and medium-sized businesses in the total volume of purchases from Russian organizations was 32.6% in 2024 (31.5% in 2023).
	MED-10	Sustainable, including green, investments	Prevention of emergencies, p. 84 Approach to environmental management, p. 114 Social investments in the development of the regions of operations, p. 139	Within this indicator the Company discloses the total expenses of ALROSA Group on environmental protection – RUB 11.4 billion in 2024 (RUB 10.7 billion in 2023), social expenses of ALROSA Group on the development of the regions of operation – RUB 4.8 billion in 2024 (RUB 4.8 billion in 2023), as well as HSE expenses – RUB 3.1 billion in 2024 (RUB 2.8 billion in 2023). Total expenses on social programs, environmental protection and HSE amounted to RUB 19.4 billion in 2024 (RUB 18.3 billion in 2023).
	MED-11	Investments in projects related to achieving technological sovereignty and structural adaptation of the economy of the Russian Federation	–	No accounting for the indicator.

	NO.	INDICATOR	SECTION	COMMENT
Economic indicators	**MED-12**	Indicator of economic vulnerability of economic and other activities to climate-related risks	–	No accounting for the indicator.
Environmental indicators	**MED-13**	Amount of water used from all water supply sources	Use of water resources, p. 121	
	MED-14	Amount of recycled and reused water supply	Business Model, p. 8 Use of water resources, p. 121	The share of reused and recycled water is calculated according to the formula: total volume of reused and recycled water / total water consumption × 100. At that, the total volume of water consumption includes reused and recycled water, as well as water withdrawal from water sources.
	MED-15	Amount of contaminated wastewater discharge, total, including untreated wastewater	Additional indicators, p. 179	
	MED-16	Water use efficiency (specific water consumption)	Use of water resources, p. 121	The Company discloses specific water withdrawal from surface water bodies by ALROSA Group in m³/carat.
	MED-17	Waste of hazard classes I–V generated, total, including: class I, class II, class III, class IV, and class V	Waste management, p. 123, 124 Additional indicators, p. 179	
	MED-18	Waste of hazard classes I–V managed, total, including by category: waste disposed of, waste neutralized, waste buried, waste reused, waste recycled, and waste generation reduced	Waste management, p. 124 Additional indicators, p. 179	
	MED-19	Air pollutant emissions from stationary sources	Air pollutant emissions, p. 117	
	MED-20	Greenhouse gas emissions	Business Model, p. 8 Climate change and GHG emissions, p. 107	
	MED-21	Expenses on implementing the environmental protection measures, total, including: atmospheric air protection and climate change prevention, wastewater collection and treatment, waste management, biodiversity conservation and protection of natural areas	Business Model, p. 8 Approach to environmental management, p. 114 Land rehabilitation and reforestation, p. 129 Biodiversity conservation, p. 131, 133 Additional indicators, p. 178	Climate change mitigation costs are reflected in the atmospheric air protection direction.
	MED-22	Renewable and low-carbon energy consumption	Business Model, p. 8 Goals and metrics, p. 108 Additional indicators, p. 178	Data disclosed in TJ.
	MED-23	Energy efficiency: energy consumption per unit of net value added	Goals and metrics, p. 107 Additional indicators, p. 178	Calculated according to the formula: total energy consumption by diamond mining companies of ALROSA Group Diamond Mining and Processing Operations / volume of diamond production (taken into account in GJ/carat). The Appendix contains a specific indicator calculated as the ratio of the total energy consumption of the Company's Diamond Mining and Processing Operations to revenues.

	NO.	INDICATOR	SECTION	COMMENT
Social indicators	**MED-24**	Payroll expenses, total	Remuneration and motivation, p. 67	The labor remuneration fund is calculated on the basis of accounting (financial) reporting data in accordance with the accounting (financial) reporting rules established in the Russian Federation (RAS) and includes the payroll fund and compensatory and incentive payments.
	MED-25	Average headcount, total, including the number of disabled persons	Employee recruitment and onboarding, p. 64 Additional indicators, p. 175	For 2024, the average number of employees was 34,966 (34,439 in 2023).
	MED-26	Average salary, total, including: by occupation groups, by gender, and by age groups	Business Model, p. 8 Remuneration and motivation, p. 67 Additional indicators, p. 177	The average salary for ALROSA Group is disclosed without a breakdown, as well as the ratio of the average salary (remuneration) of women and men for each category of personnel, broken down by significant regions of operations.
	MED-27	Expenses on occupational health and safety events, total, including on average per employee	Business Model, p. 8 Approach to occupational health and safety management, p. 84	
	MED-28	Expenses on organizing and holding social, fitness, recreational and medical events for employees and their family members	Social support and partnership, p. 73	
	MED-29	Number of occupational accident victims with disability for one or more working days and with fatal outcome, including fatalities	Prevention of emergencies, p. 85	
	MED-30	Expenses on employees training, total, including on average per employee	Training and development, p. 72	In 2024, ALROSA allocated RUB 530 million for the training of its employees (RUB 506 million in 2023). Average training expenses per employee – RUB 15,158 thousand. The indicator is calculated as the ratio of the total amount of training expenses to the average headcount of the Company in 2024.
	MED-31	Average hours of training per year per employee by occupation groups	Training and development, p. 72	
	MED-32	Percentage of employees covered by collective bargaining agreements in the average headcount	Table of Compliance with the Guidelines of the MED of Russia	The share of employees covered by collective bargaining agreements is 94% – 33,314 employees (94% in 2023).
	MED-33	Staff turnover rate	Headcount and personnel, p. 62 Additional indicators, p. 177	In accordance with the Company's methodology, the management turnover rate is calculated as: the sum of the total number of employees who quit at their own request and those who quit at the employer's initiative divided by the average headcount of employees.
	MED-34	Expenses on contributing to support for social programs not aimed at employees and their family members, total, including: charitable in housing, healthcare, education, and support for citizens in need of social assistance.	Social investments in the development of the regions of operations, p. 139	

	NO.	INDICATOR	SECTION	COMMENT
Governance indicators	**MED-35**	Availability of the sustainability policy and/or other related strategic documents	Strategic priorities and objectives, p. 15 Approach to climate management, p. 94 Climate strategy, p. 97	
	MED-36	Number of Board meetings and attendance rate	Table of Compliance with the Guidelines of the MED of Russia	In the reporting year, 25 corporate meetings of the Supervisory Board were held – 24 of the meetings involved absentee voting and one meeting was held by means of a video conference. For more details on the participation of members of the Supervisory Board in meetings in 2024, see the Company's 2024 Annual Report.
	MED-37	Number of Board members, total, including by age groups	Sustainability management, p. 17	
	MED-38	Number of the Audit Committee meetings and attendance rate	Table of Compliance with the Guidelines of the MED of Russia	In the reporting period, 13 events were held, five of which involved absentee voting and eight were meetings held as a video conference. The attendance rate was 100%.
	MED-39	Participation in ESG indices and ratings	Key sustainability Ratings, rankings, indexes and Awards, p. 10 Use of water resources, p. 119	
	MED-40	Number of recorded cases of infringing on the rights of indigenous small-numbered peoples of the Russian Federation	Table of Compliance with the Guidelines of the MED of Russia	In the reporting period, no cases of violation of the rights of representatives of indigenous small-numbered peoples were recorded.
	MED-41	Percentage of employees holding positions exposed to high corruption risk	Table of Compliance with the Guidelines of the MED of Russia	The accounting of the indicator is planned to be introduced following the implementation of the Action Plan for the creation of the anti-corruption management system of ALROSA Group for 2024–2025.
	MED-42	Average hours of anti-corruption training per employee	Table of Compliance with the Guidelines of the MED of Russia	Average hours of anti-corruption training per employee was 3.7. The indicator is calculated as the ratio of the number of hours of anti-corruption training to the number of employees trained in anti-corruption policies and methods in 2024.
	MED-43	Cases of bringing the organization, its subsidiaries and associates to administrative liability for corrupt practices	Approach to business ethics and anti-corruption, p. 39	In the reporting year, there were no cases of ALROSA Group companies being held liable for committing corruption offenses.
	MED-44	Share of female managers in the total number of managers, total, including on the Board of Directors (Supervisory Board)	Sustainability management, p. 17 Headcount and personnel, p. 63 Additional indicators, p. 174	

Additional indicators

PERSONNEL

GRI 2-7

Headcount by gender persons

INDICATOR	2021	2022	2023	2024
Headcount as at year-end	**31,988**	**33,756**	**35,106**	**35,511**
Women	10,454	10,623	10,827	10,860
Men	21,534	23,133	24,279	24,651

GRI 2-7

Headcount by region of operations persons

INDICATOR	2021	2022	2023	2024
Headcount, including:	**31,988**	**33,756**	**35,106**	**35,511**
Employees working in Russia	31,860	33,292	35,028	35,417
Employees working in foreign countries	128	464	78	94
Share of employees from Russia	100%	99%	100%	100%
Share of employees from foreign countries	0%	1%	0%	0%

GRI 2-7

Headcount by type of employment contract and gender persons

INDICATOR	2021	2022	2023	2024
Permanent employees	**29,701**	**30,749**	**32,080**	**32,417**
Women	9,910	10,044	10,232	10,288
Men	19,791	20,705	21,848	22,129
Percentage of permanent employees	93%	91%	91%	91%
Temporary employees	**2,287**	**3,007**	**3,026**	**3,075**
Women	544	579	595	553
Men	1,743	2,428	2,431	2,522
Share of temporary employees	7%	9%	9%	9%

GRI 2-7

Headcount by type of employment and gender persons

INDICATOR	2021	2022	2023	2024
Full-time employees	**28,559**	**33,716**	**35,039**	**35,374**
Women	9,129	10,596	10,776	10,772
Men	19,430	23,120	24,263	24,602
Share of full-time employees	89%	100%	100%	100%
Part-time employees	**3,429**	**40**	**67**	**137**
Women	1,325	27	51	88
Men	2,104	13	16	49
Share of part-time employees	11%	0%	0%	0%

Headcount by type of employment contract and type of employment in significant regions in Russia in 2024 persons

INDICATOR	BY TYPE OF EMPLOYMENT CONTRACT		BY TYPE OF EMPLOYMENT	
	PERMANENT	FIXED-TERM	FULL-TIME	PART-TIME
Republic of Sakha (Yakutia)	25,807	2,762	28,511	58
Smolensk Region	1,244	25	1,232	37
Arkhangelsk Region	1,611	50	1,655	6
St. Petersburg	495	13	505	3
Other regions of Russia	3,207	210	3,384	33
Total	**32,364**	**3,060**	**35,287**	**137**

Headcount by nationality persons

INDICATOR	2021	2022	2023	2024
Headcount, including:	**31,988**	**33,756**	**35,037**	**35,511**
Russian citizens	31,524	33,224	34,499	34,874
Citizens of CIS countries	339	407	479	527
Foreign citizens	125	125	59	110
Share of Russian citizens	98,5%	98,4%	98,5%	98%
Share of employees from CIS countries	1,1%	1,2%	1,4%	1,5%
Share of employees from among citizens of foreign countries	0,4%	0,4%	0,1%	0,3%
Indigenous employees	3,693	4,463	4,458	4,420
Share of indigenous employees in the total number of employees	12%	13%	13%	12%

GRI 405-1 MED-44

Headcount by employee category persons

INDICATOR	2021	2022	2023	2024
Managers	**4,204**	**4,291**	**4,381**	**4,365**
Women	1,124	1,127	1,117	1,123
Men	3,080	3,164	3,264	3,242
Share of women managers	27%	26%	25%	26%
Specialists and staff	**7,133**	**7,786**	**8,183**	**8,260**
Women	4,143	4,356	4,520	4,533
Men	2,990	3,430	3,663	3,727
Percentage of female specialists and staff	58%	56%	55%	55%
Workers	**20,651**	**21,680**	**22,542**	**22,886**
Women	5,187	5,143	5,187	5,204
Men	15,464	16,537	17,355	17,682
Share of women workers	25%	24%	23%	23%

Headcount by age group persons

INDICATOR	2021	2022	2023	2024
Employees under 30	**4,253**	**4,897**	**4,462**	**4,447**
Women	1,145	1,293	1,196	1,169
Men	3,108	3,604	3,266	3,278
Share of women among employees under 30	27%	26%	27%	26%
Employees aged 30 to 50 (from 31 to 50 inclusive)	**20,653**	**20,354**	**22,550**	**22,408**
Women	6,942	6,550	6,993	6,920
Men	13,711	13,804	15,557	15,488
Share of women among employees aged 31 to 50	34%	32%	31%	31%
Employees over 50 (51 and older)	**7,082**	**8,506**	**8,094**	**8,656**
Women	2,367	2,784	2,654	2,771
Men	4,715	5,722	5,440	5,885
Share of women employees over 50 (51 and older)	33%	33%	33%	32%
Average age of employees	**-**	**41**	**43**	**43**

GRI 405-1

Headcount by employee category and age group persons

	PERSONS	%	
Managers	**4,365**	**12%**	**of the total headcount**
Employees under 30	195	4%	of total category headcount
Employees aged 30 to 50	3,244	74%	of total category headcount
Employees over 50	926	21%	of total category headcount
Specialists and staff	**8,260**	**23%**	**of the total headcount**
Employees under 30	1,176	14%	of total category headcount
Employees aged 30 to 50	5,605	68%	of total category headcount
Employees over 50	1,479	18%	of total category headcount
Workers	**22,886**	**64%**	**of the total headcount**
Employees under 30	3,076	13%	of total category headcount
Employees aged 30 to 50	13,563	59%	of total category headcount
Employees over 50	6,247	27%	of total category headcount

[1] The data differs from the value in the Annual Report for 2022 due to the different data collection perimeter.

Headcount by education level persons

INDICATOR	2022	2023	2024
Higher education	12,935	13,460	13,573
Secondary vocational education	6,994	7,031	7,276
Primary vocational education	4,678	4,308	3,995
Secondary education	8,446	9,786	10,561
Primary (incomplete secondary) education	704	521	106

Headcount by length of service persons

INDICATOR	2022	2023	2024
Headcount of ALROSA veteran workers (25 years of continuous service or more)	3,423	2,441	2,534
Headcount of employees with more than 10 years of service	14,002	11,688	12,378

MED-25

Headcount by other categories persons

INDICATOR	2022	2023	2024
Employees with disabilities	160	184	195
Employees who are pensioners	–	–	3,047
Employees classified as veterans in accordance with the Federal Law “On Veterans”	–	–	340

MED-25

Average headcount persons

INDICATOR	2021	2022	2023	2024
Average headcount	**30,911**	**32,434** [1]	**34,439**	**34,966**

GRI 401-1

Number of employees hired in the reporting year persons

INDICATOR		2021	2022	2023	2024
Number of employees hired in the reporting year		**7,667**	**12,815**	**13,201**	**12,293**
By gender	Women	1,950	2,796	2,561	2,647
	Men	5,717	10,019	10,640	9,617
By age	Employees under 30	2,366	4,531	4,693	4,573
	Employees aged 30 to 50	4,195	6,386	6,918	6,012
	Employees over 50	1,106	1,898	1,590	1,704
By nationality	Russian citizens	7,503	12,144	12,506	11,746
	CIS citizens	135	629	678	477
	Citizens of foreign countries	29	42	18	70
By region	Republic of Sakha (Yakutia)	n/a	n/a	n/a	10,788
	Smolensk Region	n/a	n/a	n/a	367
	Arkhangelsk Region	n/a	n/a	n/a	239
	St. Petersburg	n/a	n/a	n/a	156
	Other regions	n/a	n/a	n/a	743

GRI 401-1

Hiring turnover ratio

BREAKDOWN		2021	2022	2023	2024
Total rate[1]		**25%**	**39%**	**38%**	**35%**
By gender[2]	Women	19%	27%	24%	24%
	Men	27%	45%	45%	40%
By age	Employees under 30	58%	96%	107%	104%
	Employees aged 30 to 50	21%	33%	31%	27%
	Employees over 50	16%	23%	20%	20%
By nationality	Russian citizens	25%	38%	37%	34%
	CIS citizens	41%	158%	144%	92%
	Citizens of foreign countries	24%	34%	31%	65%
By region	Republic of Sakha (Yakutia)	n/a	n/a	n/a	38%
	Smolensk Region	n/a	n/a	n/a	29%
	Arkhangelsk Region	n/a	n/a	n/a	15%
	St. Petersburg	n/a	n/a	n/a	31%
	Other regions	n/a	n/a	n/a	22%

[1] Hereinafter, the average number of employees of ALROSA Group in the reporting period (people) was used as the denominator when calculating the total hiring and turnover ratio.
[2] Hereinafter, when calculating the staff turnover rate for ALROSA Group for various categories of employees (by gender, age groups, regions of operations, etc.), the given average headcount of a separate category of employees of ALROSA Group for the reporting period (people) – headcount of the category of employees at the end of the reporting period, adjusted by the reduction rate – was used as the denominator. The reduction rate is determined as the ratio of the average headcount of ALROSA Group for the reporting period to the headcount of ALROSA Group at the end of the reporting period.

GRI 401-1 MED-33

Number of employees dismissed in the reporting year persons

INDICATOR		2021	2022	2023	2024
Number of employees dismissed in the reporting year		**4,004**	**4,470**	**2,616**	**2,967**
By gender	Women	1,275	1,272	800	876
	Men	2,729	3,198	1,816	2,091
By age	Employees under 30	919	1,124	554	636
	Employees aged 30 to 50	2,067	2,135	1,689	1,876
	Employees over 50	1,018	1,211	373	455
By nationality	Russian citizens	4,001	4,097	2,571	2,892
	CIS citizens	0	357	39	72
	Citizens of foreign countries	3	16	6	3

Employee turnover rate

BREAKDOWN		2021	2022	2023	2024
Total rate		**13%**	**14%**	**8%**	**9%**
By gender	Women	12%	12%	8%	8%
	Men	13%	14%	8%	9%
By age	Employees under 30	22%	23%	13%	15%
	Employees aged 30 to 50	10%	11%	8%	9%
	Employees over 50	15%	15%	5%	5%
By nationality	Russian citizens	13%	13%	8%	8%
	CIS citizens	0%	89%	8%	14%
	Citizens of foreign countries	2%	13%	10%	3%

GRI 405-2 MED-26

Ratio of average earnings (remuneration) of women and men for each category of personnel, by significant regions of operations

INDICATOR		2024
Republic of Sakha (Yakutia)	Managers, specialists, staff	0.57
	Workers	0.54
Arkhangelsk Region	Managers, specialists, staff	0.71
	Workers	0.82
Smolensk Region	Managers, specialists, staff	0.63
	Workers	0.66
St. Petersburg	Managers, specialists, staff	0.75
	Workers	0.69
Other regions (Russia only)	Managers, specialists, staff	0.84
	Workers	1.01

CLIMATE CHANGE AND ENERGY EFFICIENCY

GRI 302-1 MED-22

ALROSA Group's energy consumption TJ

INDICATOR	2021	2022	2023[1]	2024
Electricity consumption, including:	**13,158**	**5,858**	**5,426**	**5,384**
purchased (from non-renewable sources)	2,431	901	60	63
purchased (from renewable sources)	6,668	809	4,404	4,180
self-generated (from non-renewable sources)	949	1,185	881	1,048
self-generated (from renewable sources)	3,110	2,962	82	93
Heat consumption, including:	**8,893**	**4,400**	**4,469**	**3,920**
purchased (from non-renewable sources)	1,193	217	216	206
purchased (from renewable sources)	19	0	0	0
self-generated (from non-renewable sources)	7,681	4,182	4,252	3,713
self-generated (from renewable sources)	0.5	0.5	0.5	0.6

MED-23

Energy intensity of ALROSA Group TJ/RUB million

INDICATOR	2021	2022	2023	2024
Energy intensity of ALROSA Group's operations	**0.065**	**0.067**	**0.074**	**0.089**
Total energy consumption TJ	21,522	20,183	24,032	21,653
Revenue and income from subsidies RUB million	332,004	300,168	326,521	244,072

Cash saved by reducing energy consumption as a result of measures taken RUB million

INDICATOR	2021	2022	2023	2024
Cash saved by reducing energy consumption as a result of measures taken, including:	**1,212**	**2,483**	**911**	**1,297**
process redesign	914	1,341	676	839
equipment replacement	61	141	116	198
organizational events	187	1,002	109	259
other measures	51	0	11	0.67

ENVIRONMENTAL PROTECTION

MED-21

ALROSA Group's environmental costs RUB million

INDICATOR	2022	2023	2024
Air protection and climate change prevention	88	257	118
Collection and treatment of wastewater	357	473	473
Waste management	4,600	6,930	7,922
Protection and rehabilitation of land, surface and ground water	2,272	2,571	2,439
Protecting environment from noise, vibration or other physical impact	9	1	1
Conservation of biodiversity and protection of natural areas	31	134	164
Ensuring radiation safety of the environment	0	1	0
R&D to reduce negative anthropogenic impacts on the environment	86	144	142
Other	42	82	58
Budget payments	73	82	91
Total expenses to implement environmental protection measures	**7,558**	**10,675**	**11,408**

GRI 303-4 MED-15

Total water discharge by quality of treatment (to surface water bodies) million m³

INDICATOR	2024
Treated to standard quality	13.1
Polluted	20.6
Partially clean	46.7

GRI 306-3 GRI 14.5.4 MED-17

Waste generation[1] tons

TYPE OF WASTE	2021	2022	2023	2024
Total	**129,333,697**	**138,566,065**	**162,813,128**	**186,263,488**
Hazardous waste	**1,954**	**2,278**	**2,767**	**2,977**
Hazard class I	8	5	5	5
Hazard class II	8	5	11	13
Hazard class III	1,939	2,268	2,751	2,959
Non-hazardous waste	**129,331,743**	**138,563,787**	**162,810,361**	**186,260,511**
Hazard class IV	7,551	9,348	10,996	12,062
Hazard class V (except for mining waste)	53,176	12,831	7,695	7,726
Mining waste (waste of hazard classes I–V);	129,271,016	138,541,608	162,791,670	186,240,723

[1] The value of the total mass of non-hazardous waste for 2021 and 2022 has been adjusted to eliminate the identified inaccuracies.

GRI 306-4 GRI 306-5 GRI 14.5.5 GRI 14.5.6

Volume of waste by type of waste management in 2024 (excluding mining waste) tons

TYPE OF WASTE MANAGEMENT	WASTE BY HAZARD CLASS (EXCEPT FOR MINING WASTE) I	II	III	IV	V	TOTAL
Waste treated, including:	0	0	485	2	9	**496**
at own facilities	0	0	0	0	0	**0**
sent to third parties	0	0	485	2	9	**496**
Waste disposed, including:	0	8	2,467	3,592	789	**6,856**
at own facilities	0	0	1,564	980	142	**2,686**
sent to third parties	0	8	903	2,612	647	**4,170**
Neutralized, including:	6	8	552	363	265	**1,194**
at own facilities	0	7	45	25	63	**140**
sent to third parties	6	1	507	338	202	**1,054**
sent to the regional operator (MSW)	0	0	0	3,977	49	**4,026**
Waste placed, including:	0	0	0	2,356	520	**2,876**
at own facilities	0	0	0	462	520	**982**
sent to third parties	0	0	0	1,894	0	**1,894**

MED-18

Waste by type of management (including mining waste) tons

TYPE OF WASTE MANAGEMENT	2021	2022	2023	2024
Recycling	8,676,149	13,316,002	16,199,378	6,035,747
Neutralization	681	998	1,620	1,193
Disposal at own facilities	121,581,390	126,642,939	146,795,035	180,441,254
Sent to other organizations for disposal	57,131	12,371	8,139	1,894

BUSINESS ETHICS

GRI 205-2

Total number of employees trained in anti-corruption policies and methods, by categories and regions during the reporting year persons

BREAKDOWN	2024
By category	**163**
Managers	54
Specialists and staff	104
Workers	5
By regions of operations	**163**
Republic of Sakha (Yakutia)	88
Arkhangelsk Region	2
Smolensk Region	1
St. Petersburg	3
Other regions	69

Total number of business partners informed about the Company's anti-corruption policies and practices during the reporting year points

INDICATOR	2024
Russia	2,058
Republic of Sakha (Yakutia)	199
Arkhangelsk Region	52
Smolensk Region	8
Krasnodar Region	19
St. Petersburg	190
Other regions	1,590

Key external and internal stakeholders with whom regular interaction is performed

GRI 3-3 GRI 2-29

	SIGNIFICANCE OF A STAKEHOLDER	STEPS TO CONSIDER THE INTERESTS ENGAGEMENT MECHANISMS	ENGAGEMENT MECHANISMS
Shareholders and investors[1]	Shareholders and investors invest in the Company's development. Consideration of their interests is an important part of the Company's positive image and responsible business conduct	■ Respecting equally the rights of all shareholders regardless of the number of shares they hold ■ Ensuring high profitability of the business and proper payment of dividends ■ Information transparency ■ Enhancing the corporate governance ■ system	■ Disclosure of information on the Company's website, reports, presentations ■ Investor days, roadshows, conference calls, one-on-one meetings, responding to requests through direct email and telephone contacts ■ Site visits ■ Provision of materials of general shareholders meetings at the location of the Company (Moscow, Mirny)
Employees	Employee engagement affects the Company's success. Engaged employees contribute to business performance and development	■ Decent and safe working conditions ■ Respect for human rights and non-discrimination ■ Implementation of social programs ■ Fulfillment of the terms of the collective bargaining agreement	■ Communicating with employees through immediate supervisors and management ■ Consultations with the trade union and collective bargaining ■ Communications via the corporate portal ■ Corporate events, sporting and cultural events, professional competitions ■ Publication of corporate media, brochures, creation of content for information screens
Government authorities	Constructive relations with government authorities, including supervisory authorities, allow the Company to avoid negative consequences and ensure sustainable business development	■ Compliance with regulatory requirements and recommendations, participation in lawmaking ■ Timely receipt of tax and dividend payments ■ Sustainable use of mineral and raw material resources, introduction of innovative technologies	■ Participation in the work of expert groups, commissions and committees ■ Processing and sending responses to official requests ■ Participation in public hearings and public discussions ■ Cooperation agreements with regional authorities
Local communities	The Company's cooperation with local communities contributes to the development of territories and improvement of the population's living standards	■ Creation of jobs in regions of operations ■ Development of transport, energy and social infrastructure of regions ■ Charitable assistance ■ Industrial and environmental safety ■ Respect for the cultural heritage, traditions and rights of the population in regions of operations ■ Effective communication system	■ Implementation of corporate programs, projects and cooperation agreements ■ Organization of community liaison offices ■ Tours to production facilities
Business partners	Business partners help the Company find new sales channels, launch joint projects and develop its business	■ Ensuring equal conditions for participation in competitive bidding ■ Timely fulfillment of mutual obligations ■ Anti-corruption measures ■ Compliance with business ethics	■ Competitive bidding ■ Industry exhibitions and conferences ■ Partnerships with small and medium-sized businesses ■ Organization of working groups with suppliers

[1] For more details on ALROSA's interaction with shareholders and investors in the reporting year, see the 2024 Annual Report.

	SIGNIFICANCE OF A STAKEHOLDER	STEPS TO CONSIDER THE INTERESTS ENGAGEMENT MECHANISMS	ENGAGEMENT MECHANISMS
Russian and international industry community	Cooperation with the Russian and international sectoral community facilitates the exchange of experience and knowledge between participants, promotes the development of innovations and technologies, creates conditions for the sustainable development of the industry as a whole	■ Maintaining and enhancing the consumer value of natural polished diamonds ■ Building consumer trust in diamonds and diamond jewellery ■ Developing and promoting standards for responsible business conduct	■ Participating in compiling the agenda and work of industry organizations ■ Expansion of contacts through interstate cooperation with partners from friendly countries ■ Developing and promoting standards for responsible business conduct
Public environmental organizations	Engaging the public in discussions and making environmentally significant decisions enables the Company to receive timely feedback on its impacts, comply with legislation, mitigate environmental risks and improve performance	■ Minimization of environmental damage ■ Compliance with environmental legal requirements, international standards and recommendations	■ Participation in conferences, workshops, round tables, research on climate change and environmental protection ■ Participation in environmental ratings ■ Preparation of responses to requests and proposals
Clients	Clients ensure stable growth of the Company. Feedback helps understand market needs and improve financial performance through sales and profit growth	■ Ensuring a favorable quality/price ratio of products, favorable terms of delivery and payment for products ■ Guaranteeing the conformity of rough diamond mining with Russian and international legislation	■ Satisfaction surveys ■ Auctions and tenders, presentations, conferences, exhibitions and joint marketing events with partners
Analysts, expert community	Analysts and industry experts ensure the accuracy and reliability of information on the basis of which market participants make decisions regarding the Company	■ Ensuring information transparency ■ Ensuring compliance with laws and regulations	■ Meetings, calls, participation in conferences, workshops, round tables with analysts, rating agencies, representatives of investment banks, the financial community ■ Participation in ratings ■ Preparation of responses to requests and proposals, including through direct email and telephone contacts ■ Disclosure of information on the Company's website, in its reporting and presentations
Media	Mass media is a powerful tool for promoting the Company and enhancing its reputation, and staying in touch with a wide audience	■ Ensuring information transparency ■ Regular interaction and information exchange	■ Publication of press releases on the Company's website ■ Preparation of responses to information requests ■ Organization of interviews with management ■ Press tours

Abbreviations

ACRA	Analytical Credit Rating Agency
ADPA	African Diamond Producers Association
AI	Artificial intelligence
AIS	Automated information system
ATS	JSC Administrator of the Wholesale Trading System of the Electricity Market
BAT	Best available technologies
BRICS	an intergovernmental organization comprising 10 countries – Brazil, Russia, India, China, South Africa, Egypt, Ethiopia, Indonesia, Iran and the United Arab Emirates
BSA	Behavioral Safety Audits
CAPEX	CAPital EXpenditure
CEO	Chief Executive Officer
CIO	Chief Information Officer
CIS	Commonwealth of Independent States
CNG	Compressed natural gas
COP29	29th Conference of the Parties – United Nations Climate Change Conference
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CSC	Culture and Sports Complex
DMPO	Diamond Mining and Processing Operations
DPP	Diesel power plant
ECG	Electrocardiography
EEIA	Ethnic environment impact assessments
EPA	Environmental Protection Agency
ERP	Enterprise Resource Planning
ESG	Environmental, social and governance
FIFR	Fatal Incident Frequency Rate
GHG	Greenhouse gas
GJ	Gigajoule
GOST	State standard of the Russian Federation
GRI	Global Reporting Initiative that publishes standards for non-financial reporting (GRI Standards)
HPF	Hazardous production facility
HPP	Hydroelectric power plant
HR	Human Resources
HSE	Health, Safety, and Environment
IATA	International Air Transport Association
IDTMP	Innovative Development and Technological Modernization Program
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
ILO	International Labor Organization
INRTU	Irkutsk National Research Technical University
IPCC	Intergovernmental Panel on Climate Change
ISO	International Organization for Standardization that publishes international standards for management systems
ITC	Innovation and Technology Center
IUCN	International Union for Conservation of Nature
JSC	Joint-stock company
KP	Kimberley Process
KPCS	Kimberley Process Certification Scheme
KPI	key performance indicators
KRI	Key risk indicator
KYC	Know Your Counterparty
LED	Light-emitting diode
LLC	Limited Liability Company
LNG	Liquefied natural gas
Lomonosovsky MPD	Lomonosovsky Mining and Processing Division
LOTO	Lockout/Tagout system
LTIFR	Lost Time Injury Frequency Rate
MD	Municipal district
MED	Ministry of Economic Development
MES	Manufacturing Execution System
Mirny and Nyurba MPD	Mirny and Nyubra Mining and Processing Division
MOEX	Moscow Exchange
MPD	Mining and processing division
MS & AS	Managers, specialists, and administrative staff
MSW	Municipal solid waste
NAEN	National Association of Subsoil Expertise
NDC	Natural Diamond Council
NGFS	Network for Greening the Financial System
NSR	Northern Sea Route

Abbreviations

ODS	Ozone-depleting substances
OECD	Organisation for Economic Co-operation and Development
OHS	Occupational health and safety
OPEX	OPerating EXpenses
PJSC	Public Joint Stock Company
PNST	Preliminary National Standard
PPE	Personal protective equipment
QR code	Quick Response code
R&D	Research and development
RAEX	Ranking agency RAEX
RAS	Russian Academy of Sciences
RCP	Representative Concentration Pathways
RJC	Responsible Jewellery Council
RM & ICS	Risk management and internal control system
RMS	Risk Management System
RSPP	Russian Union of Industrialists and Entrepreneurs
RUB	Russian rouble
SB RAS	Siberian Branch of the Russian Academy of Sciences
SME	Small and medium-sized enterprises
SMS	Short Message Service
SOC	Security Operation Center
SPCC	Spill prevention, control, and countermeasure plan
TJ	Terajoule
TRIFR	Total Recordable Injury Frequency Rate
UAE	United Arab Emirates
Udachny MPD	Udachny Mining and Processing Division
UK	The United Kingdom of Great Britain and Northern Ireland
UN	United Nations
UN SDGs	UN Sustainable Development Goals
UNGC	United Nations Global Compact
US	United States
VA	Vehicle accident
VAR	Vehicle Accident Rate
VHI	Voluntary health insurance
WP AIS	Work Permit automated information system

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