ENVIRONMENTAL review

12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · Target 12.4, 13.1, 13.2 · НАЦИОНАЛЬНЫЕ ЦЕЛИ РАЗВИТИЯ РОССИИ · УСТОЙЧИВАЯ И ДИНАМИЧНАЯ ЭКОНОМИКА

1 CLIMATE

Target

Climate action and reduction of GHG emissions

2028 gross emissions:

Scope 1 —
4,175.5 kt of CO_2-eq.;

Scope 2 —
794.7 kt of CO_2-eq.

2028 per unit emissions: Scope 1 —
109.1 kt of CO_2-eq.

Actual

The Company developed a universal internal algorithm and automated the information collection system for product carbon footprints.

The RECSOIL project was launched.

A new parameter was introduced to refine calculations of our internal carbon price.

The cost of carbon units was calculated at the Company's carbon farm in the Vologda region

Scope 1 gross emissions —
4,716.3 kt of CO_2-eq. –1.3% y-o-y

Scope 1 per unit emissions[1] —
121.2 kg CO_2-eq./t –5.7% y-o-y

Scope 2 gross emissions —
909.4 kg CO_2-eq. +9.6% y-o-y

12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · Target 12.4, 13.1 · НАЦИОНАЛЬНЫЕ ЦЕЛИ РАЗВИТИЯ РОССИИ · УСТОЙЧИВАЯ И ДИНАМИЧНАЯ ЭКОНОМИКА

2 ENERGY EFFICIENCY

Target

Reduction of Scope 2 GHG emissions —
to 794.7 kt of CO_2-eq.
by 2028 as a result of implementing the Energy Efficiency Programme

Actual

Green electricity purchased from TGC-1 now covers
100%
of the need for purchased electricity at the Volkhov and Balakovo branches

2.26 GJ/t –3.42% y-o-y
consumption of all types of energy per tonne of finished and semi-finished products

12 RESPONSIBLE CONSUMPTION AND PRODUCTION · Target 12.4 · экология НАЦИОНАЛЬНЫЕ ПРОЕКТЫ РОССИИ

3 WASTE

Target

Waste reduction 2025:
40%
of hazard class I–IV waste recycled and decontaminated

Actual

For the second consecutive year, we exceeded our
40%
target for waste recycling and decontamination.

During 2024, Apatit production sites in Cherepovets and Balakovo increased their use of phosphogypsum as a construction material

3 GOOD HEALTH AND WELL-BEING · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · Target 3.9, 12.4, 13.1 · экология НАЦИОНАЛЬНЫЕ ПРОЕКТЫ РОССИИ

4 AIR

Target

Reduction in pollutant emissions to the atmosphere
2025: per unit pollutant emissions —
0.80 kg/t

Actual

At the **Cherepovets** site, we modernised the SK-600/1 and SK-600/2 technological systems, implementing domestic energy-efficient sulphuric acid production technology.

At the **Balakovo** branch, we reconstructed the SK-20 sulphuric acid production unit with domestic energy-efficient sulphuric acid production technology, replaced catalysts at both SK-17 and SK-20 units, and completed technical upgrades to absorption systems in the phosphate fertilizer shop

Gross pollutant emissions to the atmosphere decreased by
more than 2 kt
y-o-y

The reduction in per unit pollutant emissions compared was
0.712 kg/t –10,9% y-o-y

3 GOOD HEALTH AND WELL-BEING · 6 CLEAN WATER AND SANITATION · 13 CLIMATE ACTION · Target 3.9, 6.3, 12.4 · экология НАЦИОНАЛЬНЫЕ ПРОЕКТЫ РОССИИ

5 WATER[2]

Target

Responsible water use
2025: per unit waste water discharge into surface water bodies —
1.7 m³/t
excluding mining and pit waters

2025: per unit water withdrawal —
2.6 m³/t
excluding mining and pit waters

Actual

We continue implementing our Water Strategy, supported by the Energy Efficiency Programme that includes measures to reduce water consumption in production processes.

Per unit waste water discharge into surface water bodies in 2024 was
1.83 m³/t –3.7% y-o-y
excluding mining and pit waters

Per unit water withdrawal in 2024 was
3.25 m³/t +1% y-o-y
excluding mining and pit waters

3 GOOD HEALTH AND WELL-BEING · 15 LIFE ON LAND · Target 3.9, 15.1 · экология НАЦИОНАЛЬНЫЕ ПРОЕКТЫ РОССИИ

6 BIODIVERSITY

Target

Preservation of biodiversity in regions of the Company's operation at a level securing sustainability

Actual

- The Company adopted an internal internal technical regulation governing biodiversity protection and monitoring across our regions of operation.
- Scientific research within the footprint of the Vostochny mine was conducted as part of our biodiversity protection programme development.
- The Company released young fish into water bodies across its regions of operation

[1] The indicator was calculated as the ratio of the (Scope 1) gross emissions under GRI 305-1 to the total output of finished and semi-finished products.
[2] In 2024, the Company conducted a review of per unit targets for water withdrawal and waste water discharge. The new 2025 targets account for water flows excluding mining and pit waters, which are natural in origin and flow in and out without involvement in production processes. These new targets were discussed at a meeting of the Board of Directors' Strategy and Sustainable Development Committee and subsequently approved by the Board of Directors.

STRATEGY

SASB EM-MM-160a.1, RT-CH-410b.2

At PhosAgro Group, we attach much importance to environmental protection and safety, as well as climate risk management. Proper focus on all of these areas helps secure the Company's sustainable development and well-being of the regions across its geography. Our Strategy to 2025 and Environmental Policy incorporate provisions to ensure strict compliance with statutory environmental requirements and minimise the environmental impact of the Company's operations across the entire fertilizer lifecycle, from ore mining to food production.
We conducted a comprehensive assessment of our activities, identifying the main areas of environmental impact, both direct and indirect. We then correlated these findings with the UN SDGs and Russia's national development goals. Based on this analysis, we mapped out six strategic focus areas of environmental protection:

1. Climate
2. Energy efficiency
3. Waste
4. Air
5. Water
6. Biodiversity

We believe that our requirements should be uniform both for us and our partners engaged in PhosAgro's projects. Everything we require of ourselves equally applies to our counterparties and is enshrined in the Code of Conduct for Counterparties.

APPROACH TO ENVIRONMENTAL MANAGEMENT

GRI 3-3, 101-1

Environmental stewardship has always been a core priority for PhosAgro Group. We operate in regions with fragile and unique ecosystems, and safeguarding their sustainable natural integrity is our unwavering commitment. Our operations undergo a stringent assessment for compliance with the Environmental Policy and the Company's internal regulations.

For the full text of PhosAgro's Environmental Policy, see the Company's website

WE ADOPTED A UNIFIED APPROACH TO ENVIRONMENTAL MANAGEMENT THAT INCLUDES:

Company-wide control.
Putting Strategy to 2025 into action and compliance with the Company's Environmental Policy are overseen by the Strategy and Sustainable Development Committee that regularly reports on the Company's progress to the Board of Directors. The Department of Ecology and Environmental Management exercises executive control over the Company's environmental activities.

A unified management system. The consistency of PhosAgro's activities aimed at environmental protection and strengthening of the Company's environmental performance results from continuous development of the environmental management system built in line with the ISO 14001 standards.

Strict compliance with applicable statutory and regulatory requirements.

STAKEHOLDER ENGAGEMENT

The effectiveness of our environmental impact management system serves as a cornerstone for PhosAgro Group's long-term business sustainability. It also reflects our fundamental commitment to responsible corporate citizenship, carefully balancing the interests of diverse stakeholders, including local residents in our regions of operation, employees and their families, and our technological partners and contractors.

The key principle underlying our interaction with local communities is a meaningful dialogue through a variety of communication channels, from public hearings and the involvement of Company representatives in the work of local legislative and representative bodies and government authorities.

Public hearings represent one of the legitimate and effective mechanisms for establishing dialogue with stakeholders using a discussion platform to express their opinions and make suggestions on the initiatives under consideration. This mechanism has a positive impact on the decision-making process and improves its efficiency. Engaging the general public and various groups of stakeholders in discussion plays an important role and helps ensure that all points of view are considered.

For the list of public discussions, please visit the Company's website

PhosAgro Group public discussions coverage

Item	2022	2023	2024
Number of public discussions	12	17	**9**
Average number of participants per discussion	6	22	**7**

Environmental management system

Our environmental management system is integrated in the Company's overall management framework and is a key element in our approach to managing environmental responsibility.

In 2022, the environmental management system passed a recertification audit across the Company's production sites and was found to be in full compliance with ISO 14001. In 2024, it successfully underwent an inspection audit under the same standard.

For the full text of PhosAgro's Environmental Policy, see the Company's website

PhosAgro's environmental management system embraces all management levels and all stages of the product's life-cycle, from R&D to manufacturing and finished product application by customers. This approach ensures uniform management requirements across all aspects of the Company's operations.

The facilities have also put in place a procedure to manage internal audits. Every year, they develop internal audit programmes taking into account the environmental significance of the reviewed processes, changes affecting the facility and previous audit outcomes. The audits provide input data for the Company's management to analyse environmental management efficiency.

Environmental management framework

Board of Directors level

Board of Directors

Defines the Company's environmental policy and sets strategic goals to ensure environmental protection and reduce the negative impact of its operations

Strategy and Sustainable Development Committee

- Maintains and regularly assesses PhosAgro's internal sustainability regulations and monitors their development, relevance, quality and efficiency, as well as compliance with applicable laws and internal sustainability objectives
- Engages with key stakeholders and fosters healthy and sustainable communities across all regions of operation
- Prepares recommendations to the Board of Directors on determining the Company's strategic sustainability objectives

Group Management level

Department of Ecology and Environmental Management of JSC Apatit

Responsible for general management, organisation and coordination of efforts to continuously enhance environmental management

Operational level

Environmental Control and Management Service

Fulfils commitments to the ongoing environmental improvement and reduction of the environmental footprint

Officers in charge of environmental protection

- Production units, which have the greatest environmental impact, have introduced a procedure for identifying and assessing risks and opportunities. Based on the results, we develop measures to bring risks pertaining to significant environmental aspects to an acceptable level
- Managers and experts responsible for making operational and other decisions that may adversely affect the environment take a specially designed training course in environmental safety

Our strategic environmental protection goals are set out in the Company's Strategy to 2025, as well as Water and Climate strategies. Their achievement is included in the KPIs of managers and senior executives.

Compliance with statutory and regulatory requirements

Environmental compliance is key to running a responsible business.

PhosAgro Group's environmental management practices ensure our compliance with the applicable environmental and nature conservation regulations and regulators' decrees. To that end, the Company has in place an internal and external control framework, which includes internal audit and external compliance reviews, a reporting system designed in accordance with legislative requirements, and a staff training system.

All our facilities that have an adverse environmental impact are included in dedicated state registers, with relevant categories assigned to them. PhosAgro has all necessary permits in place for each of these facilities.

None of PhosAgro's enterprises uses ozone-depleting substances in the production process. A small amount (not more than 250 kg/year) of carbon tetrachloride (CCl4) is used in laboratory testing.

We do not undertake cross-border hazardous waste transportation and our production sites are not situated in protected areas. Hence, there are no significant restrictions on our operations.

Spending on environmental protection, RUB mln

MED 21

Item	2022	2023	2024
Current environmental protection expenses (form 4-OS)	6,534.600	7,394.921	**8,538.425**
Investments in fixed assets aimed at environmental protection (form 18-KS)	2,396.700	3,544.013	**5,891.585**
Environmental impact payments	192.532[1]	204.927	**187.038**
Environmental fines and damages	2.464	1.584	**3.002**
Total	**9,126.296**	**11,145.445**	**14,620.050**

The Company takes steps to remedy the harm caused by an emergency in 2019 by committing RUB 3,002,000 to the reproduction of aquatic biological resources in 2024.

In 2024, our environmental investments in fixed assets increased, driven among other things by the upgrade of absorption systems at the Balakovo branch and the establishment of dry phosphogypsum storage at the Cherepovets site, while current environmental protection expenditures also rose.

No audits of Apatit by local bodies of Rosprirodnadzor were held in 2024. There were no administrative proceedings involving the Company, and hence no fines.

[1] In subsequent periods, payment for the negative environmental impact in 2022 was adjusted following the submission of a corrective declaration.

Environmental impact payments, RUB mln

MED 21

Item	2022	2023	2024
Atmosphere			
Maximum permissible emissions	2.707[1]	2.815	**2.373**
Temporarily permitted emissions	0	0	**0**
O-limit	2.355	1.756	**0.067**
Aquatic environment			
Standard permissible discharge	4.864	4.366	**5.387**
Temporarily permitted discharge			**0**
O-limit	0	0	**0**
Waste			
Limit	182.606	195.990	**179.210**
O-limit	0	0	**0**
Total	**192.532**	**204.927**	**187.038**
Including o-limit	**2.355**	**1.756**	**0.067**
Share of o-limit in total payments, %	**1.220**	**0.860**	**0.036**

The reduction in the Company's environmental impact payments was associated with decreased phosphogypsum disposal in waste facilities, achieved through its expanded application as a construction material at both the Cherepovets and Balakovo sites.

In 2024, over-limit payments accounted for 0.036% of total environmental impact payments (vs 0.86% in 2023). They resulted from exceeding the permissible emission limit for nitrogen oxides by one of the emission sources at the Cherepovets facility.

Assessment, analysis, and monitoring

Continuous improvement is inherent in our environmental management. The Company identifies areas for improvement in its environmental management by reviewing its management system using an effective mechanism, which combines external and internal audits, and performance monitoring and evaluation, including those by a wide range of stakeholders, with the review findings analysed and assessed by the Company's management. These efforts enable us to work out corrective action plans and proposals on how to develop and improve the system.

When assessing the Company's performance, much attention is paid to the analysis of ESG ratings and investor feedback.

[1] In subsequent periods, payment for the negative environmental impact in 2022 was adjusted following the submission of a corrective declaration.

RISKS AND OPPORTUNITIES

Environmental risk management is an integral part of the Company's risk governance framework.
The following strategic risks affect our environmental protection objectives:

7 environmental risk

13 regulatory risk

19 climate risk

OPERATIONAL ENVIRONMENTAL RISKS

- non-compliance with the existing regulations on environmental impact
- energy efficiency issues

To mitigate those risks, the Company develops corrective measures as necessary and unlocks opportunities:

- **climate change opportunities, including the development of fertilizers with a positive climate profile, new logistics capabilities, and services for companies that embrace climate sustainability;**
- **energy efficiency opportunities through expansion of in-house power generation, reduction of energy losses, implementation of energy saving measures, and increased utilisation of renewable energy sources;**
- **opportunities associated with decreased waste, emissions and discharges, achieved by applying best available techniques during construction of new facilities and reconstruction of existing production sites.**

The general approaches to managing risks are set out in the Strategic Risks section p. 66–67

For more information, see the Strategic Risks section p. 68–75

1 CLIMATE

SASB RT-CH-110a.2 / EM-MM-110a.2

OUR TARGETS

Reduce gross GHG emissions (Scope 1, 2, 3) by

14%

by 2028 vs 2018

2024 HIGHLIGHTS

Scope 1 per unit emissions

121.2 kg/t

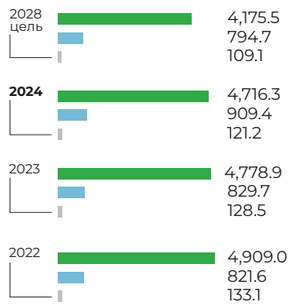
of finished and semi-finished products
–19.5% vs 2018

100%

of mineral fertilizers supplied by the Volkhov and Balakovo branches are made using carbon-free purchased electricity

The Company launched RECSOIL, a project implemented jointly with UN FAO, Lomonosov Moscow State University, and Kept on the fields of the partner AgroGard. The project focuses on recarbonisation (increasing carbon accumulation) in agricultural soils.

Gross and per unit GHG emissions (Scope 1 and 2) across the Group, CO_2-eq.



PhosAgro Group has LEAD status under the UN Global Compact and is a participant of the Climate Ambition initiative.

Starting 2021, the Company has been making annual climate disclosures in line with the TCFD logic and starting 2023, with key requirements of the new IFRS S2, which enables the most thorough disclosure of the climate-related aspects of PhosAgro Group's strategy, risks and opportunities, management approach, results, and indicators.

The Company's representatives are members of climate change and sustainable development task and expert groups instituted by government authorities and non-governmental organisations, and are actively engaged in discussions on current global challenges.

Strategy and management approach

GRI 3-3

The Company focuses on climate change in line with the double materiality principle: on the one hand, it identifies and assesses the impact of its operations on climate all along the value chain from extraction of raw materials to consumption of finished products. On the other hand, it projects how climate change affects PhosAgro's business, strategy, and financial planning.

Climate matters feature prominently in PhosAgro's strategic and investment decisions, as well as in its day-to-day management. In our evaluation of investment projects, we use internal carbon price mechanisms. The Company has identified, assessed, and prioritised climate risks, establishing their short, medium and long term consequences for its production and business processes. We make our strategic plans and day-to-day management decisions with full awareness of the nature and extent of climate impact (both environmental and political) on the Company's business, strategy, and financial planning. The Group develops and takes consistent steps to reduce its carbon footprint and closely interacts with partners across its value chain (suppliers and consumers) and other stakeholders domestically and worldwide.

PhosAgro's Climate Strategy was adopted in 2020. It is a comprehensive document setting out the Company's climate policy in the face of growing climate change and uncertainty.

Main principles of PhosAgro Group's Climate Strategy:

- setting up targets to reduce GHG emissions in line with the Science Based Targets initiative; using climate scenario analysis;
- integrating climate risks into the comprehensive risk management framework for investment and day-to-day business activities;
- utilising technology-related measures along with proper organisation and management, as well as sound social and personnel policy, to reduce GHG emissions;
- identifying not only risks, but also attractive climate-related investment opportunities and making long-term plans for them;
- promoting awareness of the Company's climate initiatives and plans, as well as cooperation in specific areas;
- engaging stakeholders to reduce GHG emissions along the value chain.

The Climate Strategy has set the following goals:

- to minimise GHG emissions while increasing output;
- to improve energy efficiency and environmental performance of the key production processes;
- to reduce energy and carbon intensity per unit of output;
- to develop innovative fertilizers and efficient plant nutrition systems to reduce Scope 3 GHG emissions from the use of fertilizers by farmers;
- to enter into new emerging markets for green products;
- to retain and expand the existing market niches by ensuring PhosAgro Group's competitive edge in terms of energy and carbon intensity.

The Company is currently focused on creating particular metrics reflecting the impact of climate action in production and management processes on financial indicators. To that end, we assessed the impact of the carbon border adjustment mechanism (CBAM) on PhosAgro's operating expenses. The mechanism covers Russian industrial products, including, most likely, mineral fertilizers. In 2024, a cross-functional working group refined and automated our product carbon footprint assessment mechanism, among other things to ensure alignment with the CBAM requirements. The mechanism underwent evaluation by international consultants, and its methodology was validated. The mechanism helps measure carbon footprint per each tonne of fertilizer based on a transparent calculation methodology for GHG emissions, which covers production processes and semi-product flows fully in line with the CBAM guidelines.

Actions to deliver the Climate Strategy

In 2024, we continued to implement the Climate Agenda project aimed at creating the climate action management system and pushing forward the low-carbon transition plan.

IN 2024, THE FOLLOWING WORK WAS COMPLETED AS PART OF THE PROJECT:

- The international certification body conducted verification of our product carbon footprint calculation report, providing positive conclusions for 20 product types.
- We purchased certificates for electricity obtained from renewable and low-carbon sources. In 2024, carbon-free electricity from hydroelectric power stations accounted for 100% of the externally sourced carbon-free electricity for the Balakovo and Volkhov branches.

The Company's experts continued to explore options for absorbing greenhouse gases in order to select the most suitable ones across Group facilities. In 2024, we also launched the Carbon Footprint Compensation project aimed at absorbing (compensating for) GHG emissions, with a carbon footprint compensation farm being set up in the Vologda region.

As a result of our efforts in 2024:

- Methods were developed to calculate the carbon pool of forest sites with a total absorption of 15.98 t of CO_2-eq. / year, and 5.2 carbon units / ha / year using the CDM methodology. Total sequestration: 20,092 carbon units within 40 years.
- At two 100 ha sites (Rus LLC and the Plemzavod Mayskiy agricultural complex), we tested carbon dioxide sequestration in forage grasses using the Company's fertilizers, including locally cultivated forage crop varieties.
- We achieved an additional average annual carbon sequestration of 2.6 carbon units / ha with a total accumulation of 13.69 t of CO_2-eq. / year and an increase in total yield to 11.6%. We acquired experience in using the equipment to estimate carbon gain in ecosystems and the carbon footprint of products.

For more information on our work at the carbon farm, see the Research and Education p. 106–127

Risks and opportunities

GRI 201-2

PhosAgro identifies its climate risks and opportunities based on climate change. The process is influenced by physical (changes in natural processes or phenomena) and transitional factors of various nature (changes in the policy and regulation with a view to fulfilling low-carbon transition).

A detailed description of climate risks and opportunities, as well as corrective measures taken in 2024 remained unchanged and is presented in the TCFD report on the Company's website

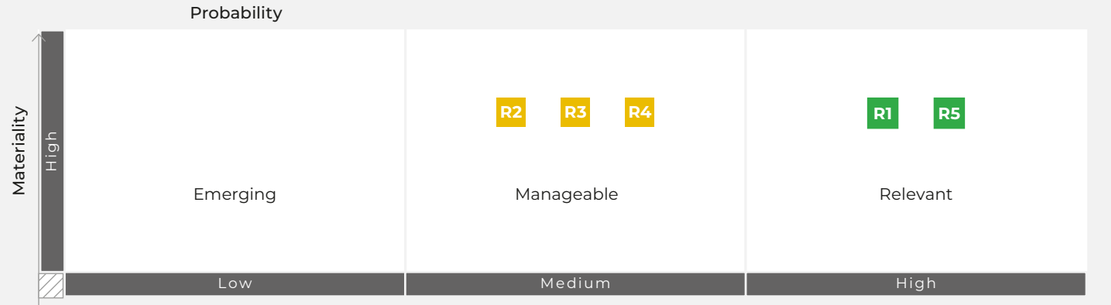
Risks

- **R1** — disruptions in production processes and logistics operations due to increasing acute climatic effects and other climate-related factors.
- **R2** — flaws in supply chains, construction design, health and safety; negative environmental footprint and reduced flows of ecosystem services; lower resilience of infrastructure and communications due to increasing climatic effects.
- **R3** — PhosAgro Group's failure to comply with regulations reducing its negative environmental footprint (following the adoption of the carbon border adjustment mechanism).
- **R4** — deterioration of the Company's sustainability reputation.
- **R5** — increased costs and losses (as a result of customers' failure to meet their obligations, rising prices for feedstock, materials and services, higher borrowing rates) and shrinking revenues (as a result of a decline in sales, customers, countries and regions of operation).

Opportunities

- **O1** — boosting PhosAgro Group's appeal as an environmentally and climatically responsible supplier of products with a positive climate profile.
- **O2** — improved logistics driven by the new export opportunities amid shortened seasonal freeze-up of rivers and lakes due to climate change.
- **O3** — new financial products that open up new sources of cheaper funding (such as green bonds) for companies that embraced environmental and climate sustainability.

Climate risk priority map



ASSESSMENT FREQUENCY:

quarterly.

COVERED TIME HORIZON:

short-term,
medium-term,
long-term.

PROCESS DESCRIPTION:

the Company's climate risk management forms an integral part of its comprehensive risk management system (RMS), with all its elements embedded in PhosAgro's existing structure. The RMS relies on the Company's Risk Management and Internal Control Policy and other internal policies and procedures, as well as the applicable Russian and international standards.

As part of our comprehensive risk management framework, we identify, assess, and manage climate risks. Covered value chain stages – direct operations up and down the value chain. Climate risk management process is baked in the company-wide risk management processes.

Climate scenario analysis

The Company views climate scenario analysis as a tool to make its climate strategy resilient to uncertainties and risks related to climate change. In line with that, we adopted climate scenarios and determined respective scenario parameters that are most probable and significant for the Company in the short, medium, and long term.

PhosAgro Group assessed the impact of climate-related risks and opportunities on its operations under two climate change scenarios: global warming of 2°C and 4°C. The key features of the scenarios are:

- 2°C scenario is expected to result in stringent climate policy measures that will increase market volatility (goods, services, finances, etc.). This is projected to bring about low-carbon transition, putting in place mechanisms of a low-carbon economy that will slow down physical climate-related impacts going forward;
- 4°C scenario is expected to result in less stringent climate policy measures as compared to the 2°C scenario, triggering faster physical climate-related changes.

Experts assessed the 2°C scenario as the most probable, hence it was selected as the basis for setting targets, evaluating risks and opportunities, and developing plans under the low-carbon transition.

PhosAgro identified projected changes in climate risks and opportunities under the adopted climate scenarios based on risks, opportunities, scenario parameters, and time frames. In doing so, the Company focused on its operations, strategy, and financial planning.

Processes to identify and assess climate change risks are being integrated throughout the value chain – from design, procurement and apatite-nepheline ore mining to finished product delivery.

Key initiatives in 2024

The Company is implementing a set of initiatives designed to achieve the targets of its Climate Strategy.

The Company launched RECSOIL, a joint project aimed at recarbonisation (carbon accumulation in soil) of agricultural lands. The project will not only accumulate carbon but also increase soil resilience to climate change and improve its agrophysical and agronomic characteristics. The project is implemented jointly with **UN FAO, Lomonosov Moscow State University, and Kept on the fields of the innovative partner AgroGard.** It encompasses developing low-carbon agricultural practices, conducting detailed agrochemical and soil research with expert organisations, formalising a climate project, and developing standardised (simplified) design documentation for agricultural climate projects.

A new parameter was introduced to refine calculations of our internal carbon price. To complement our existing approach to carbon balance assessment of investment projects, we incorporated the **price per tonne of CO_2-eq. as a parameter, aligned with the EU ETS.**

The cost of carbon units was calculated at PhosAgro's carbon farm in the Vologda region. The estimated cost of carbon units obtained from forest sites is RUB 658 per carbon unit.

The international certification body TÜV AUSTRIA Standards and Compliance conducted **verification** of our product carbon footprint calculation report.

We purchased certificates for electricity obtained from renewable and low-carbon sources. In 2024, hydroelectric power stations supplied 100% of the externally sourced electricity for the Balakovo and Volkhov branches.

Report on planned activities

Focus areas	Climate-related risk and opportunities	Description and results
Improve and implement technological measures to mitigate the negative impact of climate change on production processes	R1, R2	The economic analysis of the majority of measures to reduce direct GHG emissions developed in 2021–2024 showed their insufficient ROI. The Company decided to further enhance technological solutions and keep looking for other promising technologies in this field. At the same time, a number of initiatives were implemented at our facilities, such as using neutralisation heat for product drying with a corresponding reduction in gas supply – this was implemented in process systems No. 1–4 of MFPU section 2 at the Cherepovets site
Prepare feasibility studies (business projects) for innovative climate-resilient products based on carbon dioxide utilisation. Develop production in high-potential areas	R1, R2, R5, O1	Development and testing of the Company's new products, including biological and biologised fertilizers that provide higher resilience of agricultural crops to fluctuations in climate parameters. The nitrogen loss ratio of traditional mineral fertilizers is 0.62–0.94%, compared to 0.59–0.83% for their biologised counterparts, resulting in an 8 to 35% reduction in the carbon footprint of the produce
Reduce the negative impacts of climate change on operational processes such as disruptions in transportation of products and raw materials, increased consumption of water for industrial use and waste water, product dusting, failures to use equipment in accordance with operating instructions and failures to create proper workplace conditions	R1, R2, O2	The Energy Efficiency Programme was reviewed and an updated one developed, aimed at reducing energy consumption and increasing resource efficiency. We purchase certificates for electricity obtained from renewable and low-carbon sources. In 2024, green attribute certificates for 300 mln kWh of electricity were purchased through the NP Market Council Association mechanism. As a result, in 2024, hydroelectric power stations supplied 100% of the externally sourced electricity for the Balakovo and Volkhov branches. Response plans are being developed and updated for natural and man-made situations at the Company's facilities that may potentially be related to climate change. Activities include liaising with the Company's personnel
Introduce an automated system to collect and process primary climate data	R3, R4, O1	The Company developed an automated information collection system for calculating product carbon footprints. This work was implemented as part of the carbon footprint assessment process and improving the greenhouse gas emission management system in the Company to respond to stakeholders' requests about the carbon footprint of the Company's products. The project allows for generating reports on the required product mix, including within the framework of implementing the CBAM

Plans for 2025

Focus areas	Climate-related risk and opportunities	Description, current status, and expected outcomes
Review the Climate Strategy	**R1**, R2, R3, R4, **R5**, O1, O2, O3	As part of putting together the Company's Development Strategy to 2030, a review of all Climate Strategy parameters is planned
Implement a project to transfer the settlement of Titan in the Murmansk Region to a different heat supply scheme	R3, R4, **R5**, O1	Repair and installation is underway. Reduce Scope 1 GHG emissions to 19.204 kt of CO_2-eq. / year
Implement the Energy Efficiency Programme	**R1**, R3, R4, **R5**, O1	Reduction of GHG emissions
Analyse the existing approach to assessing Scope 3 GHG emissions in the Purchased Goods and Services subcategory	R3	Revision of the list of purchased goods and services included in the assessment of Scope 3 GHG emissions in order to obtain more complete information

Metrics and targets

PhosAgro's climate metrics are aligned with the goals of the Climate Strategy approved by its Board of Directors.

The Company is working to expand and enhance the quality of climate-related measurements, including both existing and prospective metrics. Most metrics are locked on targets which are aligned with the goals of the Climate Strategy and other commitments of the Company.

The metrics are monitored and reported annually to stakeholders.

The Company's primary focus is on GHG emissions (carbon dioxide CO_2, methane CH_4 and nitrous oxide N_2O) in all three Scopes (1, 2, and 3). The Company calculates greenhouse gas emissions in accordance with the international guidelines:

- 2006 IPCC (Intergovernmental Panel on Climate Change) Guidelines for National Greenhouse Gas Inventories;
- The Greenhouse Gas Protocol: Scope 2 Guidance;
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition);
- ISO 14064-1 – Specification with Guidance at the Organisation Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.

Calculations are based on global warming projections of the IPCC report "Climate Change 2021: The Physical Science Basis".

The Company's efforts include end-to-end monitoring of raw data (Scopes 1, 2, and 3) and analysis of supply chain participants' data (Scopes 2 and 3).

The targets are set in line with minimum qualitative and quantitative criteria based on RCP 2.6, a representative concentration pathway for reduction of global anthropogenic GHG emissions, in order to keep global temperature rise below 2°C by 2100.

Direct (Scope 1) GHG emissions, CO_2-eq.

GRI 305-1, 305-4, SASB RT-CH-110a.1 / EM-MM-110a.1

Assets	UoM	2022	2023	2024
Kirovsk branch	kt	690.9	657.8	**625.0**
Per unit emissions, Kirovsk branch	kg per tonne of finished and semi-finished products	57.7	55.9	**50.1**
Balakovo branch	kt	236.6	232.7	**228.2**
Per unit emissions, Balakovo branch	kg per tonne of finished and semi-finished products	41.5	37.9	**34.8**
Volkhov branch	kt	191.5	193.3	**195.6**
Per unit emissions, Volkhov branch	kg per tonne of finished and semi-finished products	71.8	72.4	**64.3**
Cherepovets site (Apatit)	kt	3,790.0	3,695.1	**3,667.5**
Per unit emissions, Cherepovets site (Apatit)	kg per tonne of finished and semi-finished products	229.1	222.4	**217.5**
Total gross emissions	**kt**	**4,909.0**	**4,778.9**	**4,716.3**
Total per unit emissions	**kg per tonne of finished and semi-finished products**	**133.1**	**128.5**	**121.2**

Indirect (Scope 2) GHG emissions, CO_2-eq.

GRI 305-2, 305-4

Assets	2022	2023	2024
Gross emissions of the Kirovsk branch, kt	588.2	577.2	**661,8**
GHG emissions of the Kirovsk branch, kg per tonne of finished and semi-finished products	49.1	49.0	**53.1**
Gross emissions of the Balakovo branch, kt	51.9	46.0	**0**[1]
GHG emissions of the Balakovo branch, kg per tonne of finished and semi-finished products	9.1	7.5	**0**
Gross emissions of the Volkhov branch, kt	44.6	17.8	**6.7**[1]
GHG emissions of the Volkhov branch, kg per tonne of finished and semi-finished products	16.7	6.6	**2.2**
Cherepovets site (Apatit), gross emissions, kt	136.9	188.7	**240.9**
GHG emissions of the Cherepovets site (Apatit), kg per tonne of finished and semi-finished products	8.3	11.3	**14.3**
Total gross emissions, kt	**821.6**	**829.7**	**909.4**
Total GHG emissions, kg per tonne of finished and semi-finished products	**22.3**	**22.3**	**23.4**

Note

Greenhouse gas emissions were calculated in line with the Guidelines for Climate Impact Management of PJSC PhosAgro and other Group Entities (using the IPCC methodology).

In 2022, we changed our approach to calculating Scope 2 GHG emissions related to electricity consumption. In 2020–2021, the methodology relied on emission factors defined by the International Energy Agency (IEA), while starting 2022, we use the energy indirect GHG emission factor for the First Synchronous Zone of the Russian Energy System defined by the Trading System Administrator of the Wholesale Electricity and Capacity Market.

In 2024, the Company purchased green attribute certificates and used them to fully offset the electricity purchased by the Balakovo and Volkhov branches of Apatit.

The results of the GHG assessment for purchased renewable electricity, using the market-based method based on the certificate data, align with the results calculated using the location-based method.

[1] The entire volume of purchased electricity is fully covered by purchases of certificates for electricity from renewable and low-carbon sources. Throughout 2024, however, the Company continued to purchase heat energy; consequently, the table reflects the greenhouse gas emissions associated with this heat consumption.

Calculation of other indirect GHG emissions

GRI 305-3

Category	GHG emissions, t of CO_2-eq.			Share in total other indirect emissions, %		
	2022	2023	2024	2022	2023	2024
Purchased goods and services[1]	4,231,751	4,233,076	4,750,908	28.078	27.918	**30.686**
Fuel- and energy-related activities not included in Scope 1 or Scope 2	350,275	427,877	476,046	2.324	2.822	**3.075**
Processing of sold products	720,223	642,002	631,219	4.779	4.234	**4.077**
Use of sold products	9,768,958	9,859,766	9,624,096	64.819	65.026	**62.162**
Total	**15,071,207**	**15,162,721**	**15,482,269**	**100.000**	**100.00**	**100.00**

Scope 3 greenhouse gas emissions were calculated for four categories after an expert review identified them to be the most significant emission sources for the Company.

Scope 3 GHG emissions, CO_2-eq.

GRI 305-3, 305-4, MED 20

Category	2022	2023	2024
Total gross emissions of production assets, kt	15,071,207	15,162,721	**15,482,269**
Total GHG emissions of production assets, kg per tonne of finished and semi-finished products	408.759	407.830	**397.722**

GRI 305-5

We have chosen 2018 as the base year for calculations because it was the Company's first GHG inventory year and we needed to set GHG reduction targets for all three scopes based on the available emission data. In 2018, GHG emissions were as follows:

- direct GHG emissions (Scope 1) – 4,624.6 kt of CO_2-eq.;
- indirect GHG emissions (Scope 2) – 924.1 kt of CO_2-eq.;
- and other indirect GHG emissions (Scope 3) – 12,634.4[1] kt of CO_2-eq.

[1] The data for comparable periods, including the base year, for the purchased goods and services category have been adjusted due to adjustments to the carbon footprint data for products that the supplier previously provided.

Analysis of factors affecting changes in GHG emissions in 2024 compared to 2018

GRI 305-5

	Scope 1		Scope 2		Scope 3	
	2018	2024	2018	2024	2018	2024
Production volume, mt	30.73	**38.93**	30.73	**38.93**	30.73	**38.93**
GHG, kt	4,624.59	**4,716.35**	924.11	**909.42**	12,634.42[1]	**15,482.27**
Change in GHG emissions in the reporting year vs 2018, %		**1.98**		**–1.59**		**22.54**
Per unit GHG emissions, kg/t	150.47	**121.20**	30.07	**23.36**	411.08	**397.72**
Change in per unit GHG emissions in the reporting year vs 2018, %		**–19.48**		**–22.30**		**–3.25**
Change in GHG emissions in the reporting year vs 2018, output growth factor, kt		**1,232.77**		**246.34**		**3,367.95**
Reduction in GHG emissions vs 2018 excluding the output growth factor, kt		**–1,141.06**		**–261.03**		**–519.95**

In 2024, per unit GHG emissions (Scope 1) declined by 29.3 kg/t or 19.5% compared to 2018, whereas gross GHG emissions (Scope 1) increased by 2% vs 2018 due to higher production volumes. With adjustments made for the output growth factor, gross emissions decreased by 1,141.1 kt compared to 2018. Improved production efficiency (primarily reduced per unit consumption of natural gas in production processes) and changes in the mix of semi-finished products used in fertilizer production had the most significant impact on the reduction of emissions, as part of direct emissions related to manufacturing of semi-finished products decreased due to replacing some of the Company's own products (for example, ammonia) with third-party feedstock.

Per unit GHG emissions (Scope 2) declined by 22.3% compared to the baseline year of 2018, while gross GHG emissions (Scope 2) (excluding the output growth factor) decreased by 261.0 kt vs 2018. The reduction was achieved thanks to procurement of green electricity, as well as energy efficiency initiatives.

Gross GHG emissions (Scope 3) increased by 22.5% relative to the baseline year, with per unit emissions down by 3.3%. The key factor affecting the growth in Scope 3 emissions was the increased production volume, which led to more purchases of feedstock and increased emissions from the application of sold products. Excluding the output growth factor, Scope 3 GHG emissions declined by 519,9 kt vs the baseline year due to higher volumes of purchased feedstock and energy and tolling arrangements.

In 2024, we modernised our product carbon footprint data collection process through substantial automation within our Cognos information system. This technical advancement enables plant-specific carbon footprint calculations across the entire PhosAgro Group, supports more sophisticated factor analysis of changes, and generates required reporting data for the EU CBAM, with our calculation methodology validated during this reporting year.

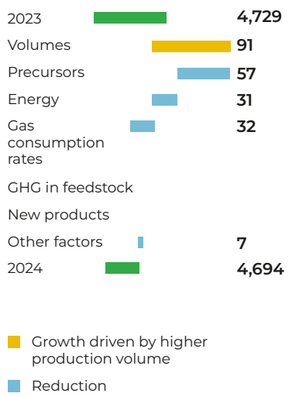
Our enhanced data capabilities now support deeper analytics into factors driving year-on-year carbon footprint changes.

The analysis shows that, despite higher sales volumes, Scope 1 gross emissions in 2024 decreased by 34 kt of CO_2-eq. (0.7%) y-o-y primarily due to the partial replacement of internally produced feedstock and energy with resources purchased from third parties. Production efficiency improvements also had a positive impact, as they helped reduce gas consumption rates and the associated GHG emissions.

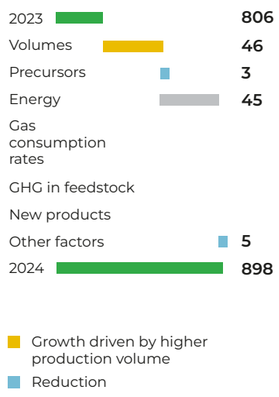
In Scope 2, gross emissions grew by 92 kt of CO_2-eq. (11.4%). Along with higher sales, the most considerable impact on Scope 2 GHG emissions came from increased purchases of energy (electricity) from third parties.

In 2024, Scope 3 gross GHG emissions in the product carbon footprint grew by 705 kt of CO_2-eq. vs 2023. The main factors contributing to this increase in 2024 were higher sales volumes and associated GHG emissions from the use of products, as well as the rise in per unit GHG emissions from purchased goods, changes in the consumption mix and rates of purchased feedstock, and the sale of products manufactured under tolling arrangements.

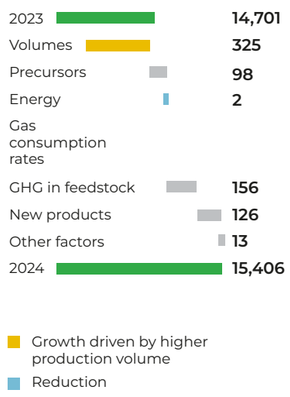
Change in Scope 1 emissions in product carbon footprint, kt of CO_2-eq.[1]



Change in Scope 2 emissions in product carbon footprint, kt of CO_2-eq.[1]



Change in Scope 3 emissions in product carbon footprint, kt of CO_2-eq.[1]



List and description of existing metrics introduced for the monitoring of performance under the Climate Strategy

Metric	2022	2023	2024
Gross global emissions (Scopes 1 and 2) per currency unit of total revenue (GRI 305-4)[2], t of CO_2-eq. / USD mln	693.500	1,072.400	**1,025.714**
Gross global emissions (Scope 1 and 2) per FTE (GRI 305-4)[3], t of CO_2-eq. / FTE	288.800	256.900	**238.206**
Electricity purchased per unit of finished and semi-finished products, '000 kWh / t	0.062	0.065	**0.067**
Share of feedstock suppliers providing necessary input data on GHG emissions (Scope 3), %	7.5	9.5	**13**

[1] The diagrams illustrate the analysis of factors having the most significant impact on the year-on-year changes in the product carbon footprint. The product carbon footprint calculation data excludes certain items that are included in the Company's total GHG emissions. For more information on the factors, see page 372.
[2] The indicator was calculated as the ratio of the sum of Scope 1 and 2 gross emissions under GRI 305-1 and GRI 305-2 respectively to PhosAgro Group revenue according to consolidated financial statements converted into USD mln at monthly average USD/RUB exchange rates.
[3] The indicator was calculated as the ratio of the sum of Scope 1 and 2 gross emissions under GRI 305-1 and GRI 305-2 respectively to the total number of full-time employees under GRI 2-7.

2 ENERGY EFFICIENCY

OUR TARGETS

Reduction of Scope 2 GHG emissions

to 794.7 kt of CO_2-eq.

by 2028 as a result of implementing the Energy Efficiency Programme

2024 HIGHLIGHTS

Consumption of all types of energy per tonne of finished and semi-finished products came in at

2.26 GJ/t

down 3.42% y-o-y.

In 2024, the total amount of electricity generated internally by heat and power plants in Cherepovets, Balakovo, and Volkhov went up

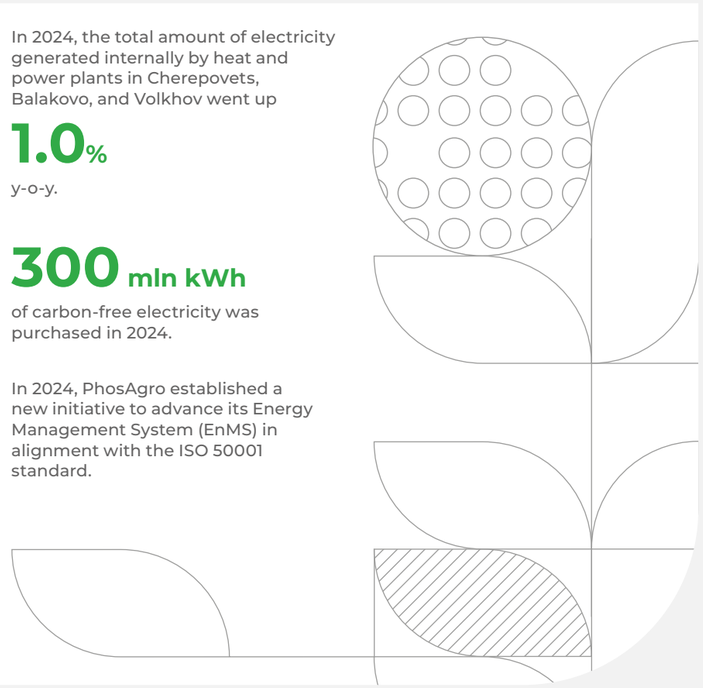
1.0%

y-o-y.

300 mln kWh

of carbon-free electricity was purchased in 2024.

In 2024, PhosAgro established a new initiative to advance its Energy Management System (EnMS) in alignment with the ISO 50001 standard.



Electricity generated by the Company's own heat and power plants, mln kWh

Production site	2022	2023	2024	Change y-o-y, %
Cherepovets site	787.93	807.70	**808.56**	0.1
Balakovo branch	340.83	384.53	**378.22**	-1.7
Volkhov branch	184.89	251.86	**271.00**	7.6
Total	**1,313.65**	**1,444.09**	**1,457.78**	**1.0**

In 2024, the share of self-generated electricity covering the Company's production facilities reached 37.4%, down slightly compared to 2023. However, with the re-commissioning of a gas turbine power plant at the Cherepovets production site following repairs, the self-sufficiency ratio is projected to exceed 40% in 2025.

Going forward, the Company will continue developing in-house power generation. Construction and installation works have commenced in Balakovo for two gas-piston power plants (2 MW each) and an 18 MW exhaust gas turbine.

Strategy and management approach

GRI 3-3, 302-4

In 2024, the Company continued to follow the Climate Strategy and the Energy Efficiency and Energy Saving Policy approved by the Board of Directors. We reviewed and updated the list of initiatives set out in the Energy Efficiency Programme, which is tightly integrated into the Company's Strategy to 2025.

The Energy Efficiency and Energy Saving Policy sets out the following key goals:

- continuously improving energy efficiency;
- using energy resources in a sustainable and efficient manner;
- streamlining the energy management process for all types of operating activities.

THE COMPANY PAYS PARTICULAR ATTENTION TO MANAGING ENERGY EFFICIENCY RISKS.

A sufficient and reliable energy supply is a material aspect and major concern for us. We thoroughly explore all opportunities to transition to renewable energy: among other things, in 2024, we continued to purchase electricity generated by hydroelectric power plants.

Risk of Scope 2 GHG emissions being included in carbon regulation in the EU and other jurisdictions. The Company's energy efficiency directly affects Scope 2 GHG emissions, which poses a potential risk, for example after full-scale implementation of carbon border adjustment mechanisms.

Market availability of electricity from renewable energy sources. The Company continuously monitors the market to ensure a sufficient supply of electricity from renewable energy sources.

STAKEHOLDER ENGAGEMENT

The Company conducts an annual analysis of the low-carbon electricity market, benchmarking its operations against leading industry players and broader industrial benchmarks. We prioritise aligning our electricity consumption with evolving requirements for electricity generation and the development of carbon-free (green) energy attribute certificate market. Through active participation in the energy industry events, the Company shares expertise with market stakeholders and gathers critical insights on energy efficiency trends and innovations in the energy transition.

In 2024, the NP Market Council Association[1] launched a mechanism and platform for transparent tracking of green electricity generation as well as certificate issuance, sales, and redemption. This mechanism ensures the traceability of the electricity origin, certification of green energy producers, and mitigation of risks linked to the sale of green attribute certificates to sustainability-focused consumers seeking to reduce their carbon footprint through verified purchases.

The initiatives set out in the Energy Efficiency Programme are aimed at improving energy efficiency, developing energy management at each production site, and achieving strategic objectives in the following focus areas:

- in-house power generation through utilisation of sulphuric acid production steam;
- introduction of technologies aimed at loss reduction and energy savings (e.g. LED lighting, frequency converters, less heat energy losses).

In addition, the Company actively studies and tests promising solutions, including by increasing the share of renewable energy sources both as part of pilot projects at PhosAgro's own facilities and through green electricity purchases.

In 2024, we implemented comprehensive energy efficiency projects at all of our sites.

[1] A self-regulatory organisation for the wholesale energy market participants.

Key initiatives in 2024

Project	Description and results	Expenditures, RUB mln	Completion
Cherepovets	Installation of metering units for utility and drinking water	1.95	4Q 2024
Volkhov	Upgrade of the facility's street lighting system to LED. Ca. 65,000 kWh of annual reduction in electricity consumption	1.0	4Q 2024
Balakovo	Upgrade of the facility's street lighting system to LED. Ca. 80,000 kWh of annual reduction in electricity consumption	1.95	4Q 2024

Initiatives planned for 2025

Project	Description and results	Expenditures, RUB mln
Cherepovets site	Technical upgrades to the regulation system and automated process control system of turbine generator No. 6. Reducing natural gas consumption by 1,600 m³ Annual savings of ca. RUB 48 mln	83
Kirovsk branch	Developing a methodology and piloting the transition to fuel oil pressure of 12 kgf/cm2 for the drum drier furnace. Saving diesel fuel by increasing combustion completeness, target: 1%	24
Kirovsk branch	Upgrades to the heat supply infrastructure of the Titan settlement to eliminate the consumption of 6.175 ktpa of furnace fuel oil	177
Balakovo branch	Enhancement of in-house power generation from the sulphuric acid production exhaust steam. 200 mln kWh annual replacement of purchased electricity	2,820
Volkhov branch	Complementing the industrial zero-discharge solution at the Volkhov branch of Apatit with a similar zero-discharge domestic waste water system. Reduced reliance on river water by utilising the chemical water treatment of domestic waste water for the heat and power plant	287

Metrics and highlights

The energy efficiency metrics are used to monitor the Company's progress towards its energy efficiency improvement target and are set forth in PhosAgro's Energy Efficiency Programme and Action Plan, which helps keep track of electricity generation and consumption, energy intensity, etc.

The energy efficiency metrics are based on PhosAgro's raw data and are calculated in accordance with the approved statistical methodologies.

In 2024, self-generated electricity coverage for the Company's production assets stood at 37.4%, down from 2023 levels. In absolute terms, in-house electricity generation decreased by 102.3 mln kWh y-o-y due to the unavailability of critical generating equipment from foreign manufacturers impacted by international sanctions against Russia. Total electricity consumption grew by 106.2 mln kWh (2.6%) y-o-y, which is attributable to the upgrade of the processing facilities.

In 2024, Apatit used 300 mln kWh of carbon-free electricity at its production sites. This means that mineral fertilizers supplied by the Volkhov and Balakovo production sites in 2024 were manufactured using exclusively green power purchased from the hydroelectric power plants of TGC-1.

PhosAgro Group's energy consumption

GRI 302-1, 302-3, SASB RT-CH-130a.1 / EM-MM-130a.1, MED 22

Item	UoM	Total for production assets		
		2022	2023	2024
Electricity				
Purchased electricity, including	mln kWh	2,303.26	2,396.25	**2,604.75**
Purchased from renewable sources	mln kWh	300.00	300.00	**300.00**
Electricity purchased per unit of finished and semi-finished products	'000 kWh / t	0.062	0.064	**0.067**
Heat energy				
Purchased (in hot water)	'000 Gcal	352.07	423.36	**415.75**
Supplied (in hot water)	'000 Gcal	187.49	104.80	**84.20**
Exhaust steam	'000 Gcal	8,923.70	9,229.87	**9,599.12**
Per unit consumption of heat energy	'000 Gcal/t	0.246	0.257	**0.255**
Natural gas[1]				
As feedstock for ammonia production	mln m^3	1,968.06	1,969.34	**1,971.45**
As fuel, etc.	mln m^3	771.72	745.51	**726.59**
Total	mln m^3	2,739.78[1]	2,715.05	**2,698.05**
Consumption per unit of finished and semi-finished products[2]	'000 m^3 / t	0.021	0.020	**0.019**
LNG				
Consumption	t	2,380.30	2,782.06	**2,667.79**
Fuel oil				
Consumption	t	152,895.50	146,764.10	**145,449.70**
Heating oil				
Consumption	t	766.40	789.80	**802.60**
Diesel fuel				
Consumption	t	58,276.73	57,109.12	**45,344.42**

Energy consumption, GJ[3]
GRI 302-1, 302-3, MED 23

Item	2022	2023	2024
Internal use of electricity	8,291,723	8,626,491	**9,377,112**
Internal use of heat energy	38,050,823	39,977,375	**41,577,704**
Item	2022	2023	2024
Internal consumption of natural gas (excluding gas consumed as feedstock during production processes)	30,097,257	29,074,904	**28,337,190**
Internal consumption of LNG	129,488	151,344	**145,128**
Internal consumption of fuel oil	6,742,692	6,472,297	**6,414,332**
Internal consumption of heating oil	35,407	36,489	**37,080**
Internal consumption of diesel fuel	2,657,419	2,604,176	**2,067,705**
Total internal consumption	**86,004,809**	**86,943,075**	**87,956,251**
Total energy consumption per unit of finished and semi-finished products, GJ/t[4]	**2.33**	**2.34**	**2.26**

[1] Calculations of total energy consumption include only gas consumed as fuel, whereas gas consumed as feedstock for ammonia production is provided for illustrative purposes and excluded from further calculations of total energy consumption (in GJ), as it is not used as an energy resource.
[2] The Company excludes natural gas used as feedstock for ammonia production from the calculation of per unit energy consumption.
[3] To convert energy consumption values into joules, the coefficients on the Berkeley Institute (USA) https://w.astro.berkeley.edu/~wright/fuel_energy.html.

3 WASTE

TARGET

By 2025, increase the share of recycled and decontaminated hazard class 1–4 waste

to 40%

2024 HIGHLIGHTS

40.3% +0.13% y-o-y

of hazard class 1–4 waste recycled and decontaminated

Strategy and management approach

GRI 3-3, 306-1

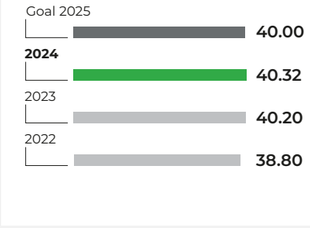
PhosAgro's Development Strategy to 2025 stipulates an increase in the share of recycled hazard class 1–4 waste to 40.00%.

Having developed a system for accumulating and analysing data on production and consumption waste from our operations, we are now implementing a range of projects aimed at minimising waste generation and increasing the share of recycled waste.

Metrics and highlights

SASB RT-CH-150a.1

Share of recycled and decontaminated hazard class 1–4 waste[5], %



[4] The Group's specific disclosure is calculated as the ratio of class 1–4 waste recycled and decontaminated to the total volume of class 1–4 waste.

The management system covers:

1. An inventory of resources that are used to manufacture products and become waste afterwards;
2. Data on the amount of waste generated from our own operations, including future waste in the form of products or their part provided to customers;
3. Waste characteristics;
4. Properties that limit or prevent the recycling (recovery) of the material or product or limit its useful life;
5. Continuous monitoring of known and potential negative characteristics of certain materials after they become waste; measures to remove environmental and health hazards;
6. Identification of activities and processes that generate significant amounts of waste.

PhosAgro's waste management is monitored on a regular basis and discussed by the Strategy and Sustainable Development Committee before being communicated to the Board of Directors.

Key initiatives in 2024

GRI 306-2

PhosAgro is implementing consistent efforts to increase the share of recycled and decontaminated hazard class 1–4 waste. At each production site, regular initiatives are conducted to identify potential types of materials that can be diverted for recycling.

Promoting phosphogypsum utilisation

In 2024, PhosAgro expanded the use of phosphogypsum as a construction material at Apatit's Cherepovets and Balakovo sites. This helped reduce the volume of phosphogypsum sent to waste disposal facilities.

The Company sold a total of

95 kt

of phosphogypsum in 2024

A key focus is the use of phosphogypsum as a soil ameliorant[1] in diverse agricultural landscapes across varying soil types and climatic zones. Under the guidance of Pryanishnikov All-Russian Research Institute of Agricultural Chemistry, research was initiated in 2024 on applying Apagips (neutralised phosphogypsum compliant with GOST 58820-2020) to combat soil desertification. Preliminary results have been promising.

A notable example of Apagips application is the chemical amelioration of acidic soils across 1,000 ha at Vozrozhdenie LLC in the Ulyanovsk region. Apagips demonstrated excellent efficacy as a soil ameliorant in pilot trials.

All contractors working at the Company's sites undergo training and are informed of waste management requirements, which are explicitly outlined in work/service agreements. Compliance with safe and proper waste handling protocols is strictly enforced.

[1] Ameliorant is a substance of industrial or fossil origin designed to improve physical and chemical properties and enhance the fertility of acidic, sodic, and other soils.

Waste generation by hazard class, t

GRI 306-3, MED 17

Waste hazard class	2022	2023	2024
I	4.22	3.82	**3.12**
II	0.39	3.23	**2.11**
III	1,436.71	1,278.12	**1,848.45**
IV	195,057.45	253,064.94	**247,706.29**
V	120,229,531.00	94,372,377.65	**99,274,182.20**
Total	**120,426,029.77**	**94,626,727.75**	**99,523,742.16**

Waste by type and disposal method[2], t

GRI 306-4, 306-5, MED 18

Disposal method	2022	2023	2024
PhosAgro Group's waste reused internally	**27,753,191.6**	**26,418,490.4**	**20,722,469.5**
· Hazardous waste	74,456.8	99,800.9	**98,311.9**
· Non-hazardous waste	27,678,734.8	26,318,689.5	**20,624,157.6**
Total waste landfilled	**93,400,262.0**	**65,294,928.0**	**80,586,785.7**
· Hazardous waste	120,688.6	153,525.5	**148,801.6**
· Non-hazardous waste	93,279,573.4	65,141,402.5	**80,437,984.1**
Including landfilled at the Company's waste disposal facilities	**93,390,463.8**	**65,285,342.7**	**80,579,179.0**
· Hazardous waste	110,976.1	143,988.9	**145,011.2**
· Non-hazardous waste	93,279,487.7	65,141,353.8	**80,434,167.8**
Third-party recycled	**63,010.9**	**83,219.2**	**24,409.6**
· Hazardous waste	1,449.9	1,808.1	**1,785.5**
· Non-hazardous waste	61,561.0	81,411.1	**22,624.1**
Third-party decontaminated	**299.8**	**612.2**	**539.1**
· Hazardous waste	263.1	563.2	**536.7**
· Non-hazardous waste	36.7	49.0	**2.4**
Third-party processed	**2,880.6**	**3,027.4**	**4,502.9**
· Hazardous waste	45.1	314.2	**278.7**
· Non-hazardous waste	2,835.5	2,713.2	**4,224.2**

[2] Hazardous means hazard class 1–4 waste; non-hazardous means hazard class 5 waste.

Disposal of beneficiation waste and overburden at Kirovsk branch

SASB EM-MM-150a.1, EM-MM-150a.2

Item	Reused			Landfilled at waste disposal facilities		
	2022	2023	2024	2022	2023	2024
Apatite-nepheline ore processing waste (tailings)	13,065,273.3	12,984,017.0	**13,487,447.6**	12,865,355.7	12,812,723.0	**13,290,756.4**
Rocks and overburden mix	11,276,148.0	9,916,198.0	**4,547,241.0**	72,281,414.0	43,680,591.0	**60,385,005.0**

Waste generation, tonne per tonne of finished and semi-finished products

Production site	2022	2023	2024
Kirovsk branch	9.100	7.000	**7.211**
Balakovo branch	0.900	0.900	**0.697**
Volkhov branch	0.001	0.001	**0.001**
Cherepovets site (Apatit)	0.400	0.400	**0.298**
Total	**3.300**	**2.500**	**2.557**

Waste generation (hazard class 1–4), kg per tonne of finished and semi-finished products

Production site	2022	2023	2024
Kirovsk branch	0.8	0.7	**0.3**
Balakovo branch	21.1	28.7	**27.9**
Volkhov branch	0.5	0.7	**0.3**
Cherepovets site (Apatit)	4.0	4.1	**3.7**
Total	**5.3**	**6.8**	**6.4**

4 AIR

OUR TARGETS

Reduce pollutant emissions by 2025 to

0.8 kg/t

of finished and semi-finished products

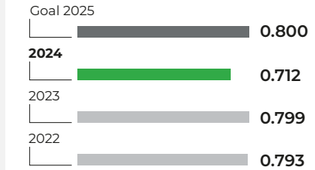
2024 HIGHLIGHTS

Per unit emissions in 2024 came in at

0.712 –10.9% y-o-y

Metrics and highlights

Pollutant emissions[1], kg per tonne of finished and semi-finished products



Strategy and management approach

GRI 3-3

PhosAgro Group has developed and now maintains an emissions management process that includes assessment of planned activities, discussion of relevant matters with a wide range of stakeholders, as well as monitoring and disclosing pollutant emissions. To effectively reduce its environmental impact, PhosAgro is running a programme to re-equip production facilities and cut pollutant emissions.

PhosAgro takes part in the government's Clean Air initiative, which aims to drastically reduce air pollution in major industrial cities across Russia. As part of the initiative, the Company implemented a number of measures, which helped reduce gross pollutant emissions in 2024 by 24% vs the 2017 level (project launch).

Air quality in sanitary protection areas near the Company's production sites complies with applicable hygienic requirements.

Since 2019, PhosAgro has been implementing a programme to upgrade its sulphuric acid production and adopt a domestic energy efficient and environmentally safe sulphuric acid production technology. This technology utilises the Double Contact Double Absorption (DCDA) process for sulphuric acid production, developed by the Samoilov Scientific Research Institute for Fertilizers and Insectofungicides (NIUIF), part of PhosAgro Group.

The programme covers sulphuric acid production units at the Company's Cherepovets site and its Balakovo and Volkhov branches.

Key initiatives in 2024

Apatit's Cherepovets site completed the fifth and final initiative as part of the Clean Air national project.

Modernisation of the SK-600/1 and SK-600/2 technological systems, along with the adoption of domestically developed energy efficient and environmentally safe sulphuric acid production technology, reduced atmospheric pollutant emissions and enhanced energy efficiency.

At the **Volkhov branch**, the key activities of 2021–2024 to mitigate the negative impact on the air quality were implemented as part of an investment project to develop the Volkhov site: technical solutions to reduce per unit emissions and pollutant concentrations at the sanitary protection zone boundaries near residential areas were initially integrated into the design of new production lines and existing facility upgrades. This approach achieved a 74% reduction in per unit pollutant emissions compared to 2020 levels.

Key initiatives to reduce negative air quality impacts at the **Balakovo branch** included:

- reconstruction of the SK-20 sulphuric acid production unit, including installation of a five-layer contact apparatus and adoption of a domestic energy efficient and environmentally safe sulphuric acid production technology;
- catalyst replacement at the SK-17 and SK-20 sulphuric acid production units;
- technical upgrades to absorption systems in the phosphate fertilizers workshop.

These measures reduced per unit atmospheric emissions at the Balakovo site by 25.7% in 2024 compared to 2023.

At the **Kirovsk branch**, the 2024 activities to minimise dust emissions from tailing dumps of beneficiation facilities included:

- chemical stabilisation using binding agents (PSKh-18, bitumen emulsion) for dusty surfaces in the beach area of tailing dumps:
  - at ANBP-2[2] across 325.7 ha,
  - at ANBP-3 across 336 ha;
- chemical stabilisation for dusty surfaces on service roads of tailing dumps:
  - at ANBP-2 across 121 ha,
  - at ANBP-3 across 67 ha;

[1] The Group's specific disclosure is calculated as the ratio of pollutant emissions to the total output of products and semi-finished products.
[2] Apatite-nepheline beneficiation plant.

- biological stabilisation of the tailing dump's dam slopes and decommissioning of the tailing dump's beach area (via sowing of regionally specific plant species) across 7 ha;
- extra nutrition of crops planted in the past years on the dam slopes and in the beach area of tailing dumps across 36 ha;
- piloting four new anti-dusting agent prototypes.

To stabilise dust-emitting surfaces at the tailing dumps in the Kirovsk branch, the Company has been conducting multi-year research in collaboration with scientific institutions to identify optimal surface stabilisation and dust control methods. Studies confirmed that specially selected plant communities, tailored to the substrate and regional climate, effectively stabilise dam slopes and inactive areas of the tailing dumps, preventing wind-driven particle dispersal. This approach has been successfully applied across the Company's operations.

Beach areas of the tailing dump, where fresh material is continuously deposited, as well as access roads, are treated with custom binding agents. Research into more efficient solutions remains ongoing.

In 2024, the implementation of biological and chemical measures successfully prevented the emission of over 25 t of particulate matter into the atmosphere.

These initiatives reduced particulate emissions from facility surfaces by 37%.

Effectiveness of dust suppression at ANBP-2 and ANBP-3 tailing dumps

Facility	Actual solid particulate (SP) emissions, t	Prevented SP emissions to atmosphere, t	Prevented SP emissions, %
Tailing dump at ANBP-2	28.3	15.8	36
Tailing dump at ANBP-3	14.7	9.3	39
TOTAL	**43.1**	**25.1**	**37**

NO_x, SO_x, and other significant air emissions[1], t

GRI 305-7, SASB RT-CH-120a.1 / EM-MM-120a.1, MED 19

Pollutants	2022	2023	2024
Total			
Kirovsk branch	10,141.30	10,056.80	**10,022.10**
Balakovo branch	7,323.80	8,217.00	**6,522.61**
Volkhov branch	1,575.00	1,203.40	**1,365.06**
Cherepovets site (Apatit)	10,193.50	10,235.00	**9,788.55**
Total	**29,234.60**	**29,712.20**	**27,698.32**
Solids			
Kirovsk branch	5,011.10	4,969.60	**3,521.84**
Balakovo branch	497.10	745.50	**796.20**
Volkhov branch	234.90	214.60	**287.11**
Apatit (Vologda region)	771.70	768.00	**1,250.47**
Total	**6,514.80**	**6,697.70**	**5,855.62**
Sulphur dioxide			
Kirovsk branch	3,373.40	3,273.70	**3,101.61**
Balakovo branch	4,227.20	4,723.70	**3,066.45**
Volkhov branch	320.50	351.50	**493.07**
Cherepovets site (Apatit)	3,770.90	3,736.60	**3,776.57**
Total	**11,692.00**	**12,085.50**	**10,437.70**
Carbon monoxide			
Kirovsk branch	798.10	908.20	**1,364.66**
Balakovo branch	949.40	927.60	**821.47**
Volkhov branch	106.30	153.40	**175.87**
Cherepovets site (Apatit)	1,324.20	1,332.60	**893.31**
Total	**3,178.00**	**3,321.80**	**3,255.31**
Nitrogen oxides (NOx as NO2)			
Kirovsk branch	931.20	859.50	**1,831.51**
Balakovo branch	765.10	759.40	**915.33**
Volkhov branch	330.70	224.40	**223.59**
Cherepovets site (Apatit)	2,491.90	2,467.60	**1,971.66**
Total	**4,518.90**	**4,310.90**	**4,942.08**
Hydrocarbons (w/o VOCs)			
Kirovsk branch	8.00	7.60	**0.71**
Balakovo branch	2.60	2.60	**0.94**
Volkhov branch	0.00	0.00	**0.02**
Cherepovets site (Apatit)	38.10	4.00	**4.89**
Total	**48.70**	**14.20**	**6.56**
Volatile organic compounds			
Kirovsk branch	19.00	38.10	**200.68**
Balakovo branch	340.00	339.50	**218.20**
Volkhov branch	6.20	5.80	**10.59**
Cherepovets site (Apatit)	2.80	12.90	**12.81**
Total	**368.00**	**396.30**	**442.28**
Other gaseous and liquid pollutants			
Kirovsk branch	0.50	0.10	**1.10**
Balakovo branch	542.40	718.70	**704.02**
Volkhov branch	576.40	253.70	**174.82**
Cherepovets site (Apatit)	**1,793.90**	**1,913.30**	**1,878.83**
Total	**2,913.20**	**2,885.80**	**2,758.77**

[1] Data are based on information regarding atmospheric air protection submitted to the local bodies of Rosprirodnadzor, in line with Order of the Federal State Statistics Service (Rosstat) No. 661 On the Approval of Statistical Tools for the Organisation of Federal Statistical Observation of Atmospheric Air Protection by the Federal Service for Supervision of Natural Resources dated 8 November 2018.

5 WATER

RT-CH-140a.2 / EM-MM-140a.2

OUR TARGETS

Reduction in water withdrawal, excluding mining and pit waters,

to 2.6 m³/t[1]

of products by 2025.

Reduction in waste water discharge into surface water bodies, excluding mining and pit waters

to 1.7 m³/t[2]

of products by 2025.

2024 HIGHLIGHTS

The Company's water withdrawal, excluding mining and pit waters, in 2024 amounted to

3.25 m³/t[1] +1% y-o-y

of products.

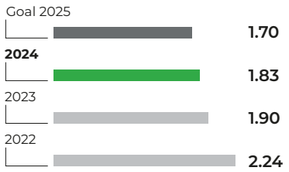
Waste water discharge into surface water bodies, excluding mining and pit waters, in 2024 stood at

1.83 m³/t[2] –3.7% y-o-y

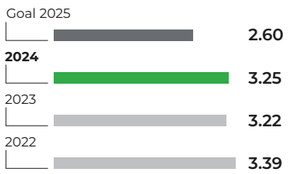
of products.

Metrics and highlights

Discharge of waste water into surface water bodies,
m³ per tonne of products and semi-finished products[2]



Water withdrawal,
m³ per tonne of products and semi-finished products[1]



Strategy and management approach

GRI 3-3, 303-1

Water is an essential resource for the Company. There is no shortage of water sources in the regions where our facilities are based. According to the Water Risk Atlas and Water Risk Filter, all PhosAgro production sites are located in areas with low or moderate fresh water scarcity. However, access to clean water is a major issue facing the world.

In 2024, the Company reviewed its per unit targets for water withdrawal and waste water discharge. The new 2025 targets account for water flows excluding mining and pit waters, which are natural in origin and flow in and out without involvement in production processes. These new targets were discussed at a meeting of the Board of Directors' Strategy and Sustainable Development Committee and subsequently approved by the Board of Directors:

- reduction in water withdrawal, excluding mining and pit waters, to 2.6 m³/t of products;
- reduction in waste water discharge into surface water bodies, excluding mining and pit waters, to 1.7 m³/t of products.

Risks and opportunities

SASB RT-CH-140a.3

The main risks related to water consumption are water quality deterioration in water bodies across PhosAgro's footprint and the Company's non-compliance with statutory requirements for limiting one's negative impact on water bodies.

PhosAgro has implemented closed-loop water recycling systems at its sites in Volkhov and Balakovo to reuse water in production processes.

Going forward, we plan to improve waste water management by focusing on maximum reuse of water through closed-loop water recycling systems and better treatment of effluents discharged into water bodies in addition to ongoing monitoring of water bodies in the regions of operation.

The regulatory risks include tightened waste water quality requirements, as well as restrictions on the amount of water consumed and discharged into both water bodies and centralised waste water systems. There were no incidents of non-compliance associated with water quality permits, standards, and regulations in 2024.

To mitigate these risks, in 2020 we adopted the Water Strategy that sought to reduce water consumption and discharge and improve waste water quality.

The strategy is implemented at all PhosAgro sites, and we regularly analyse these measures to determine whether they are sufficient and effective enough to achieve our targets.

To identify the impact of the Company's operations on water bodies, we monitor these bodies in accordance with adopted programmes by engaging our own certified laboratory and external certified laboratories.

Key initiatives in 2024

At the Cherepovets site, we continued to implement the second stage of the water use optimisation programme as part of our production upgrade initiative for 2020–2025.

Phosphate facility

Design and engineering documents were finalised for a waste water treatment unit with a source water capacity of at least 400 m3/h.

Engineering documents were finalised for the technical upgrade of an acidic waste water treatment station with production capacity increase.

Nitrogen facility

Basic design development for the industrial waste water treatment system is ongoing.

Engineering surveys were conducted for the waste water reception, accumulation, transportation, and treatment at the industrial waste water neutralisation and treatment unit. Engineering documents for the project are under development, with priority measures currently being implemented.

Measures to reduce water consumption at the Kirovsk branch.

The Saami pit water is now utilised for process needs at the Kirovsky mine workings. In 2024, the volume of water substitution reached record high levels due to the integration of an additional pump into the system.

The reconstruction of the Rasvumchorrsky mine compressor station was completed, with the cooling tower removed from the circulation cycle.

[1] The Group specific disclosure was calculated as the ratio of total water withdrawn, excluding mining and pit waters, to the total output of products and semi-finished products.
[2] The Group's specific disclosure is calculated as the ratio of the volume of waste water discharged into surface water bodies, including mine and pit waters, to the total output of products and semi-finished products.

Total water withdrawal by source, '000 m³

GRI 303-3, SASB RT-CH-140a.1 / EM-MM-140a.1

Item	2022	2023	2024
Surface water			
Total water withdrawal from surface sources, including:	182,276	176,760	**180,997**
· process water	62,163	63,029	**68,018**
· drinking water (internal use)	1,187	1,093	**1,159**
· drinking water (for supplies to third parties)	632	527	**399**
· mining and pit waters	111,751	105,024	**105,409**
· drainage water	2,401	2,742	**2,337**
· rainwater	4,142	4,345	**3,675**
Ground water			
Water withdrawal from ground-water sources	3,357	3,507	**3,495**
Total water received from third-party suppliers, including:	51,240	44,636	**47,626**
· process water received from suppliers	28,644	30,359	**31,478**
· water from municipal supply (internal use)	8,400	7,022	**7,170**
· water from municipal supply (for supplies to third parties)	32	30	**34**
· waste water from other waste water discharge systems	14,164	7,225	**8,944**
Total	**236,873**	**224,903**	**232,118**

Measurement of total and per unit water withdrawal, including and excluding mining and pit waters

MED 16

Item	2022	2023	2024
Total water withdrawal, including mining and pit waters, '000 m³	236,873	224,903	**232,117**
Per unit water withdrawal, including mining and pit waters[1], m³ per tonne	6.42	6.05	**5.96**
Total water withdrawal, excluding mining and pit waters, '000 m³	125,122	119,878	**126,708**
Per unit water withdrawal from surface sources, excluding mining and pit waters[2], m³ per tonne	3.39	3.22	**3.25**

Total water discharge by source, '000 m³

GRI 303–4, MED 15

Item	Total		
	2022	2023	2024
Water discharge into surface water bodies			
Total water discharge into surface water bodies, including:	194,447	175,618	**176,525**
· mining and pit waters	111,751	105,024	**105,409**
· drainage water	2,401	2,742	**2,337**
· waste water from other waste water discharge systems	13,782	6,872	**8,649**

[1] The Group specific disclosure was calculated as the ratio of water withdrawn, including mining and pit waters, to the total output of products and semi-finished products.

[2] The Group specific disclosure was calculated as the ratio of water withdrawn, excluding mining and pit waters, to the total output of products and semi-finished products.

[3] The Group specific disclosure was calculated as the ratio of the volume of waste water discharged into surface water bodies, including mine and pit waters, to the total volume of products and semi-finished goods manufactured.

Item	Total		
	2022	2023	2024
Supplies to third parties			
Total water supplies to third parties:	4,406	4,019	**3,476**
· waste water to the public water discharge system (after use)	3,219	3,109	**2,748**
· waste water to the public water discharge system (unused)	523	353	**295**
· water supplies to third parties from surface sources	632	527	**399**
· water supplies to third parties from municipal sources	32	30	**34**
Total	**198,853**	**179,637**	**180,001**

Measurement of total and per unit waste water discharge, including and excluding mining and pit waters

Item	2022	2023	2024
Total water discharge into surface water bodies, including mining and pit waters, '000 m³	194,447	175,618	**176,525**
Per unit water discharge into surface water bodies, including mining and pit waters[3], m³ per tonne	5.27	4.72	**4.53**
Total water discharge into surface water bodies, excluding mining and pit waters, '000 m³	82,696	70,594	**71,116**
Per unit water discharge into surface water bodies, excluding mining and pit waters[4], m³ per tonne	2.24	1.90	**1.83**

Treated effluents (reused in the production cycle)

Asset	2022	2023	2024
Total, mln m³	241.7	227.9	**235.0**
Share of reused water, %	86.0	83.0	**81.6**

The relative decrease in the share of reused water can be attributed to multiple factors, including the implementation of energy and resource efficiency enhancement programmes and the transition from calculation-based monitoring methods to instrumentation metering. Additionally, 2024 saw arid conditions and lower precipitation levels, resulting in deteriorated water quality and an increased reliance on fresh water in production processes.

Water consumption, '000 m³

GRI 303-5, MED 13, 14

Item	Total		
	2022	2023	2024
Total water withdrawal (all sources)	236,873	224,903	**232,117**
Total water discharge (all sources)	198,853	179,637	**180,001**
Water consumption	38,020	45,266	**52,116**

The rise in water consumption is driven by higher production volumes, including increased ore mining and processing, and higher output of concentrates and mineral fertilizers.

[4] The Group specific disclosure was calculated as the ratio of total water withdrawn, excluding mining and pit waters, to the total output of products and semi-finished products.

Water discharge, mln m³

GRI 303-4, MED 15

Item	2022	2023	2024
Waste water discharge into surface water bodies			
Kirovsk branch	180.0	162.4	**162.6**
Balakovo branch	–	–	**–**
Volkhov branch	–	–	**–**
Cherepovets site (Apatit)	14.4	13.2	**13.9**
Total	**194.4**	**175.6**	**176.5**
Discharged without treatment (% of total water discharge)			
Kirovsk branch	0.0	0.0	**0.0**
Balakovo branch	0.0	0.0	**0.0**
Volkhov branch	0.0	0.0	**0.0**
Cherepovets site (Apatit)	0.0	0.0	**0.0**
Total	**0.0**	**0.0**	**0.0**

Waste water discharge

Item		Receiving water body
Kirovsk branch		
Discharge 1	Discharge from the tailing dump at ANBP-3	Zhemchuzhnaya River
Discharge 2	Discharge from the tailing dump at ANBP-2	Belaya River
Discharge 3	Rainwater at ANBP-2	Belaya River
Discharge 4	Mining waters of the combined Kirovsky, Central and Rasvumchorrsky mines	Lake Bolshoi Vudyavr
Discharge 5	Mining waters of the Koashva and Njorkpahk open pits	Lake Kitchepahk
Discharges 6, 9	Waters of water-lowering wells of the Vostochny mine	Vuonnemyok River
Cherepovets site (Apatit)		
Effluents from the phosphate facility		Rybinsk Reservoir
Effluents from the nitrogen facility		Rybinsk Reservoir

6 BIODIVERSITY

PhosAgro's Environmental Policy sets forth the Company's obligations to preserve biodiversity, natural landscapes and habitats across its footprint and prevent its projects from causing any harm to the same.

OUR TARGETS

The Company's primary biodiversity objective is to conduct current and future activities in compliance with legal requirements and voluntary commitments. In conducting our operations, we seek to conserve biodiversity and minimise potential disruptions to natural ecosystems across the Company's footprint.

2024 HIGHLIGHTS

Over 1.5 million

juvenile fish of various species and pike larvae were released into water bodies across PhosAgro's geographies in 2019–2024.

In 2024, the Company invested RUB 17,852,046 to release

204,071

juvenile fish.

In 2024,

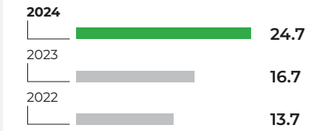
1,572 saplings

of diverse tree and shrub species (including spruce, lilac, ash, apple, and fir) were planted across the Company's operational regions.

A comprehensive environmental survey in the impact zone of the Vostochny mine (Kirovsk branch, Murmansk region)

Metrics and highlights

Investment in biodiversity protection programmes, RUB mln



Strategy and management approach

GRI 101-1, 3-3

PhosAgro's strategy for managing the conservation of biodiversity, natural landscapes, and ecosystems in its regions of operation is anchored in the provisions of the Company's Environmental Policy and is guided by legal requirements and internal documents of the environmental management system.

For a number of years, we have been working to preserve biodiversity and replenish biological resources. Since 2020, the Company has been developing comprehensive biodiversity protection programmes in partnership with research institutions. The effort is aimed at assessing and restoring environmental conditions across the Company's footprint and establishing its priorities in protecting biodiversity based on indicator species monitoring.

Key initiatives in 2024

GRI 304-2, 101-2

- The Company developed and implemented the Biodiversity Conservation and Monitoring Guidelines for Apatit to regulate biodiversity conservation and monitoring efforts across its operational regions. The guidelines define the scope, frequency, and methodology for biodiversity monitoring at production facilities.
- Compensatory afforestation was conducted on a 2.4346 ha site in the Volkhov Forestry District (Leningrad region), where 1,461 Norway spruce saplings were planted.
- The Company released young fish into water bodies across its regions of operation.
- The Company planted samplings of tree and shrub species.
- A comprehensive environmental survey was performed in the impact zone of the Vostochny mine (Kirovsk branch, Murmansk region) as part of the biodiversity protection programme development. The initiative was independently evaluated and received positive feedback from experts at the Forestry Research Institute of the Karelian Research Centre, the Russian Academy of Sciences

Comprehensive biodiversity protection programmes

GRI 304-2, 101-2, 101-4

Comprehensive biodiversity protection programmes were developed for the Volkhov branch, three of the Kirovsk branch's facilities and the Cherepovets production site.

The branch-specific monitoring programmes outline the geographic scope of monitoring zones, the nature and extent of the Company's operational impacts on ecosystems, indicator species, and metrics to assess their biodiversity status and its changes, as well as indicators to evaluate the effectiveness of biodiversity management measures.

Surveys conducted at the Volkhov branch, three Kirovsk branch facilities, and the Cherepovets production site revealed no significant adverse changes in biodiversity within the Company's operational zones. Ecosystems in these areas often exhibited higher species diversity compared to baseline zones, likely due to restricted human access preserving ecosystem integrity.

Key factors influencing biodiversity include emissions of pollutants and greenhouse gases, water withdrawal and waste water discharge, and waste disposal.

Land disturbance resulting from the Company's operations occurs due to mineral extraction, construction of waste disposal facilities, and other construction activities. Mineral extraction is one of the Company's core activities. The expansion of open-pit and underground mining operations within permitted licence areas drives production growth and ensures stable product supply. Mining activities are conducted safely and with maximum efficiency. Reclamation for these sites is best to be implemented following resource depletion. The Company's mining assets currently have operational lifespans extending beyond 2030.

Waste disposal is managed within pre-approved designated areas at the Company's facilities, with no involvement of additional territories. Increasing the share of waste diverted for recycling reduces pressure on these disposal sites and extends their operational lifespan.

Area of disturbed and reclaimed land, ha

GRI 101-5

Item	2022	2023	2024
Disturbed land	188.39	184.49	**306.30**
Reclaimed land	0	0	**0**

In 2024, the increase in disturbed land area was attributed to the expansion of the phosphogypsum tailings disposal facility at the Balakovo branch of Apatit.

A comprehensive environmental study was conducted in the impact zone of the Vostochny mine (Kirovsk branch, Murmansk region) as part of a biodiversity conservation programme developed in collaboration with the Polar-Alpine Botanical Garden-Institute, a branch of the Kola Science Centre of the Russian Academy of Sciences.

The study revealed that the terrestrial ecosystems within the footprint of the Vostochny mine host over 800 species of fungi, liverworts, lichens, mosses, and vascular plants, as well as 65 bird and 16 mammal species.

The mammal species composition in the area is generally limited. However, the Vostochny mine demonstrates a less pronounced negative impact compared to the Kirovsky and Rasvumchorrsky mines, as it directly borders the forests of the Southern Khibiny region.

Four rivers and two lakes within the Vostochny mine's impact zone were studied. All water bodies were found to be suitable for sustaining and developing relatively high populations of juvenile fish.

The Biodiversity Conservation Programme for the Vostochny mine of Apatit's Kirovsk branch underwent comprehensive review by researchers from the Forestry Research Institute at the Karelian Research Centre of the Russian Academy of Sciences and received a positive assessment.

In 2024, we held research at the Volkhov branch as part of the programme for environmental monitoring of biota (flora and fauna) within the sanitary protection zone.

The study of the area within the footprint of the Volkhov branch revealed that the structure of animal species across the reviewed biotopes is typical for the region in question. A total of 59 bird species were found to live within the facility's footprint and in adjacent areas.

Juvenile fish and pike larvae released into water bodies across the Company's geographies

GRI 304-3, 101-2

Water body	2022	2023	2024
Volgograd Reservoir, Saratov region	60,838	35,838	**60,838**
Sukhona River, Vologda region	11,743	–	**–**
Umba River, Murmansk region		–	**21,000**
Rybinsk Reservoir, Vologda and Yaroslavl regions	70,404	11,142	**45,559**
Saratov Reservoir, Saratov region	28,151	53,151	**45,031**
Lake Ladoga, Leningrad region	1,584	1,539	**1,390**
Sheksna Reservoir, Vologda region	3,000	–	**–**
Kovdozero Reservoir, Murmansk region	11,502	–	**–**
Imandra Reservoir		15,520	**29,483**
Onega River		6,725	**770**
Total	**187,222**	**123,915**	**204,071**

Tree and shrub samplings planted[1]

GRI 304-3, 101-2

Site	2022	2023	2024
Cherepovets	134	30	**43**
Kirovsk branch	0	0	**68**
Balakovo branch	159	0	**0**
Volkhov branch	1,461	1,461	**1,461**
Total	**1,754**	**1,491**	**1,572**

[1] Since 2024, the disclosure under GRI 304-3 includes information on the results of tree and shrub planting activities, as the Company currently assesses the contribution of these activities to habitat conservation and restoration as significant.