1 ОТЧЕТНЫЕ МАТЕРИАЛЫ О ДЕЯТЕЛЬНОСТИ ПРЕДПРИЯТИЙ ПАО «ФОСАГРО» В КЛИМАТИЧЕСКОЙ СФЕРЕ В СООТВЕТСТВИИ С АНКЕТОЙ CDP НА АНГЛИЙСКОМ ЯЗЫКЕ

C0. Introduction

C0.1 Give a general description and introduction to your organization.

PhosAgro is a vertically integrated mineral fertilizer producer based in Russia. We are one of the world's most efficient producers of phosphate-based fertilizers and one of the only companies to produce high-grade phosphate rock with a P2O5 content of 39% or higher. The main activity is the production of phosphate-based fertilizers, high-grade phosphate raw materials - apatite concentrate, as well as feed phosphates, nitrogen fertilizers, and ammonia.

All mining and production activities are carried out in the Russian Federation at the company's Kirovsk, Cherepovets, Balakovo, and Volkhov facilities. The company has its own resource base and carries out a full cycle of mineral fertilizer production - from the extraction and processing of apatite-nepheline ore to the production of mineral fertilizers, its own research and development department, which ensures maximum quality control of products. The group is the largest European producer of phosphate fertilizers, the world's largest producer of high-grade phosphoric raw materials, one of the top 5 world's largest monoammonium phosphate / diammonium phosphate (DAP/MAP2) producers by capacity, and also the largest supplier of fertilizers in Russia. The company employs the total of over 18 thousand people (including over 11 thousand employed in the divisions whose GHG emissions are considered in-scope for this report).

PhosAgro delivers fertilizers to more than 100 countries in Asia, Europe, Africa, South, and North America, contributing to higher yields of cultivated crops. The key consumers are producers of agricultural products. More than 70% of produced fertilizers are exported, and the company maintains a network of trading offices in 10 countries, including priority markets in Latin America and Europe. For the purposes of reporting GHG emissions data, activities outside of the Russian Federation are not considered material.

PhosAgro shares are traded on the Moscow Exchange. Global depositary receipts are traded on the London Stock Exchange (ticker symbol PHOR) and have been included in the MSCI Russia and MSCI Emerging Markets indices since 1 June 2016. A detailed description of the Company is available at https://www.phosagro.ru.

C0.2 State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years

Reporting year	January 1, 2021	December 31, 2021	No

C0.3 Select the countries/areas in which you operate.

Russian Federation

C0.4 Select the currency used for all financial information disclosed throughout your response.

USD

C0.5 Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C-CH0.7 Which part of the chemicals value chain does your organization operate in?

Row 1

Bulk organic chemicals

Bulk inorganic chemicals

Ammonia

Fertilizers

Nitric acid

Other chemicals

C0.8 Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	RU000A0JRKT8
Yes, a Ticker symbol	US71922G2093

C1. Governance

C1.1 Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board Chair	The Board of Directors: • reviews reports by the Company's executive management on environmental protection and climate change mitigation activities (at least once a year) • defines and approves environmental and climate-related policies • approves the climate strategy and low-carbon transition plan and review reports on their implementation
Board-level committee	Sustainable Development Committee: • monitors implementation of the climate strategy and low-carbon transition plan; • monitors implementation of a climate project of the implementation and project management directorate of JSC Apatit. Project activities involve all functional areas of the Company (Procurement, Production, Energy, Economics, Sales, Technology Development, Environmental Projection, Human Resources and Social Policy, Information Technology) and all climate-related risks; • reviews regulatory requirements, particularly cross-border carbon regulation, to determine their impacts on the Company's business; • monitors ESG ratings, investor preferences, and other stakeholder expectations; • reviews competitors' best practices and strategies with regard to the implementing climate-related policies and the disclosure of climate information; • assesses opportunities provided by the climate agenda.
Board-level committee	Environmental, Health and Safety Committee: • monitors the implementation of the low-carbon transition plan; • assesses climate risks impacting the Company's industrial operations; • oversees the implementation of the roadmap and programs designed to introduce resource-saving, energy-saving, and climate-friendly technologies; • directs relevant project management activities performed by the project management directorate of JSC Apatit.
Board-level committee	Strategy Committee monitors and assesses the implementation of the Company's climate strategy.
Board-level committee	Risk Management Committee: • consideration of updating the Company's Risk Map;

	• monitoring the management of risks associated with climate change in the Company's overall risk management system, including their implementation and implementation of corrective measures.
Board-level committee	The Remuneration and Human Resources Committee develops the management incentive system, which relies on key performance indicators (KPIs) linked to strategic targets, primarily expanding the coverage of ESG aspects, including climatic aspects of operations.

C1.1b Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	**Governance mechanisms into which climate-related issues are integrated**	**Please explain**
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding business plans Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	During 2021, influenced by the growing importance of the climate and sustainability agendas, the following documents were adopted or approved a new version of the following policies regarding the Board-level committees: Environmental Policy, Human Resources Policy and Code of Ethics, Counterparty Code of Conduct (including compliance with climate-related requirements). Company policies and procedures are updated as necessary. Changes are made to reflect the climate agenda. The new version of the Environmental Policy lists climate change and biodiversity conservation as top priorities for the Company. Implementation of the low-carbon transition plan and the development and implementation of specific measures are closely monitored and reviewed by the Board of Directors (Sustainability Committee, Environmental, Health and Safety Committee); The Company has a risk management and internal control system (RM&IC), which involves a set of organizational measures, methodologies, procedures, corporate culture norms, and actions aiming at achieving optimal balance between growth, profitability, and risk minimization. The Board of Directors determines the basic principles and approaches to the organization and controls the activities of the executive bodies. The Board-level Risk Management Committee is responsible for risk

		identification, development of metrics and assessments, and development of the risk management system, including climate risks. The Board-level Audit Committee evaluates the effectiveness of risk management procedures. Targets and metrics in climate, energy efficiency and biodiversity are monitored by the Board-level Environmental, Health and Safety, and Sustainable Development Committees on an ongoing basis. The results are presented to the Board of Directors annually. The Board-level Environmental, Health and Safety Committee quarterly monitors the achievement of GHG emission reduction targets and directs the implementation of relevant measures with regular reporting to the Board of Directors.

C1.1d Does your organization have at least one board member with competence on climate-related issues?

Board member(s) have competence on climate-related issues	**Criteria used to assess competence of board member(s) on climate-related issues**
Yes	When selecting Chairs of the relevant Board-level Committees (Sustainability Committee, Environmental, Health and Safety Committee), the candidates for the Board of Directors undergo express certification and discussion. Specific competencies include the following: (1) The Sustainable Development Committee: knowledge of theoretical foundations, key approaches and principles of sustainable development, knowledge of the climate-related issues in sustainable development, understanding of the role the climate agenda plays in the broader ESG context; (2) The Environmental, Health and Safety Committee: theoretical knowledge of climate-related issues in the operation of Company's production and infrastructure facilities, understanding of the key approaches to reducing greenhouse gas emissions in the context of complex inorganic fertilizers production (including technological changes, energy efficiency, climatic factors in the production of raw materials consumed by the Company, as well as consumption of the Company's products). Familiarity with the range of issues related to the functions of each member of the Board of Directors is considered as a significant criterion of competence.

C1.2 Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other, please specify **Board of Directors**	Other, please specify Defines the Company's climate policy and sets strategic goals.	
Other committee, please specify **Sustainable Development Committee**	Other, please specify Defines and reviews on a regular basis PhosAgro's system of internal policies and procedures regarding climate, including monitoring their development, relevance, effectiveness and quality, as well as compliance with legal and regulatory requirements 💬1	Annually
Other committee, please specify **Environmental, Health, and Safety Committee**	Other, please specify Conducts planning, identifies key areas of development connected to climate-related factors, tracks progress, and evaluates outcomes.	Annually
Other committee, please specify **Department of Ecology and Environmental Management of JSC Apatit**	Other, please specify Provides overall management support, organizes and coordinates continuous improvement of the climate management system	Half-yearly
Other committee, please specify **Environmental Control and Management Service**	Other, please specify Fulfills commitments to reduce the negative climate impact of industrial activity	Half-yearly
Other committee, please specify **Technical Development, Capital Construction and Repair Department (JSC Apatit), NIUIF (Samoilov Research Institute for Fertilizers and Insectofungicides)**	Other, please specify Studies and reviews technical and organizational actions adopted as part of the low-carbon transition plan that are intended to reduce GHG emissions and energy consumption	Half-yearly
Other committee, please specify **Economics Department (JSC Apatit)**	Other, please specify Develops a mechanism for incorporating the internal price of carbon into the system for assessing effectiveness of investment projects.	Half-yearly

Other, please specify **Marketing and Development Department, Innovations Centre, NIUIF**	Other, please specify Reviews actions adopted as part of the low-carbon transition plan specifically pertaining to the development of the technology for releasing and promoting new products. [2]	Half-yearly
Other committee, please specify **Procurement Department (JSC Apatit)**	Other, please specify Develops ESG rating procedures for suppliers and contractors, including climate-related criteria, and integrates the same into the contractor selection system; adds ESG criteria to the supplier audit checklist.	Half-yearly
Other, please specify **Project Implementation and Management Department (JSC Apatit)**	Other, please specify Establishes a task group with the goal of reducing GHG emissions and mitigating negative effects that climate change have on the efficiency of management and production processes.	Quarterly
Risk committee	Other, please specify Arranges for identification, assessment, management, and monitoring of climate risks, subject to the approval and implementation of the climate strategy	Quarterly

[1]Makes recommendations to the Board of Directors on setting strategic climate goals

[2]Develops and disseminates farming practices that reduce negative climate impact or address climate risks that have already been realized.

C1.2a Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Chairs of the Sustainability and Environmental, Health, and Safety Committees are members of the Board of Directors. They implement the Company's general policy in accordance with its 2020-25 Strategy.

The Sustainability Committee is responsible for establishing strategic goals and a system of climate priorities as an integral part of the Company's ESG strategy. The Committee monitors the Company's compliance with climate regulations and is responsible for ensuring that the system of internal policies and procedures is in alignment with the Company’s climate agenda.

The responsibility for monitoring and resolving issues related to climate change was assigned to the Environmental, Health, and Safety Committee headed by a member of the Board of Directors and Executive Director of JSC PhosAgro. Other Committee members include the company's Chief Executive Officer and an Independent Director. The Committee includes PhosAgro's senior leadership, including Directors with background in strategy, finance, and audit, as well as chemistry and mining engineering, in addition to a deep understanding of the broad environmental agenda. The Committee Chair is the Chair of the steering committee for the PhosAgro's Climate Agenda project. This means that the Committee has the ability to facilitate making and implementing decisions that impact the entire company.

The list of the Company's executive bodies whose functions cover the climate agenda includes departments, services and directorates competent in the areas of environmental safety, control over the negative environmental impact of the Company's industrial facilities, research and development, capital construction and repairs, procurement and sales, risk management, as well as internal controls, economics, and finance.

Each of these subdivisions, with their respective administrative and functional subordination, is involved in the Company's multi-stage and extensive system of internal interactions and external relations. This engagement enables PhosAgro's systematic approach to conducting climate-related activities. The Company's approach involves engagement and impact along the supply chain, across regions of operation, and with a wide range of stakeholders.

C1.3 Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	**Comment**
Row 1	Yes	Incentives are provided for addressing climate-related issues, including meeting targets set as part of PhosAgro's Climate Agenda Project. The company plans to incorporate climate-related performance indicators (KPIs) for managers by the end of 2022. The development of the indicators is one of the tasks of the PhosAgro Climate Agenda Project working group. We also plan to incorporate sustainability issues (e.g., SDGs, climate, etc.) into our personnel training system in 2022.

C1.3a Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	**Type of incentive**	**Activity incentivized**	**Comment**

Other, please specify Members of the PhosAgro Climate Agenda Project working group, including managers in procurement, production, energy, economics, sales, research and development, environmental health, safety, human resources and social policy, information technology	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Supply chain engagement	Financial incentives are based on the performance of the management and members of the PhosAgro Climate Agenda Project working group. In addition to fixed pay, a bonus is paid for completing pre-determined individual tasks within the framework of the Climate Project. The ratio of the variable and fixed portions of the total salary is set separately for each position according to its potential impact on performance.

C2. Risks and opportunities

C2.1 Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	Time horizons of strategic climate planning are adopted in accordance with current recommendations and established practice in the Company.
Medium-term	3	10	Time horizons of strategic climate planning are adopted in accordance with current recommendations and established practice in the Company.
Long-term	10	30	Time horizons of strategic climate planning are adopted in accordance with current recommendations and established practice in the Company.

C2.1b How does your organization define substantive financial or strategic impact on your business?

PhosAgro's business impact criteria are defined and normatively set out in the internal Regulations on Risk Management 102-2020, Issue 2 (dated June 14, 2022). According to this document, the most significant impact is described as follows: (1) financial - loss of more than 1% of annual revenue; (2) reputation - loss of key customers, sharp decline in the company's attractiveness in

the labor market; (3) production - long production halts (more than 10 days), the need to replace and restore key production assets; (4) compliance with the law - prohibition of certain activities, loss / forced liquidation of key assets, and halting production in accordance with the decisions of regulatory authorities; (5) occupational health and safety, as well as social climate.

C2.2 Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

The company's Climate Change Risk Management System is an integral part of the overall risk management system (RMS). The company has a formalized process for identification, assessment, monitoring, and management of climate risks and opportunities as part of the overall risk and opportunity management process. It covers the entire value chain: from design, procurement, and mining of apatite-nepheline ore to transportation of finished products to customers. Functional responsibilities and authorities of bodies and people related to the management of the climate-related risks, within the general RMS, are set out in the relevant organizational and administrative documents of the company.

The Company has identified processes most sensitive to climate-related risks (physical and transitional). Climate-related risks are identified by risk owners as deviations of processes from specified parameters. The most significant climate-related risks are identified in the production processes (extraction and primary processing of mineral raw materials, production of fertilizers, storage and transportation of finished products). Climate-related opportunities cover a wider range of processes across the Company.

The Company's management assesses climate risks using impact criteria adopted by the Company and probability of risks. The management takes into account recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The resulting values of impact and probability are obtained by adding up the assessments for each of the criteria, taking into account their weights. Assessments for each of the criteria are made on the basis of the applicable approach.

The designated risk owners are responsible for identifying risks and opportunities that have significant financial or strategic influence. The owners of climate risks perform quarterly monitoring and annual reporting on climate risk management. The Company has compiled and constantly updates a register of climate-related risks and measures to manage such risks. The Risk Management and Internal Control Directorate of PJSC PhosAgro performs some of the following tasks: general coordination of the climate risk management process, control over the implementation of measures, and preparation of consolidated reports for the company's Board of Directors and executive bodies.

PhosAgro climate risk management strategy is aimed at integrating climate-related risks and opportunities into the overall RMS. The strategy combines regulatory, organizational, and administrative measures critical to managing the Company's climate risks.

PhosAgro's Climate Strategy (1) defines forecast parameters for expected trends in climatic risks and opportunities for PhosAgro under selected climatic scenarios (expected warming at 2 degrees C and expected warming at 4 degrees C) for the short, medium, and long term; (2) defines a set of strategic measures to minimize climate risks and maximize opportunities offered by climate change (human resources policy, technology, business processes, financial sector, reputation).

In order to further integrate climate risks into the overall risk management system, the Company works to make the necessary additions to the internal policies and procedures in this area at the appropriate levels and stages of management processes.

C2.2a Which risk types are considered in your organization's climate-related risk assessments?

Risk type	**Relevance & inclusion**	**Please explain**
Current regulation	Not relevant, explanation provided	Excluded based on the results of the company's monitoring of key risks.
Emerging regulation	Relevant, always included	The risks are related to possible Company's activities being out of compliance with the regulatory requirements designed to limit negative climate impacts. Potential impacts include increased fees for greenhouse gas emissions, expansion of emission reporting requirements, implementation of regulations by foreign countries impacting existing products and services of the Company (including the introduction of cross-border carbon regulation, political impacts,

		etc.), ultimately increasing exposure to litigation. These factors lead to the increased risk of the Company's non-compliance with regulatory requirements designed to limit negative climate impacts. This risk may entail relevant (very significant) financial costs, all the way up to a potential ban on certain types of activities, which may eventually lead to the loss / forced liquidation of major assets or a production shutdown in accordance with the decisions of authorities. The company closely monitors trends in changes in Russian and foreign legislation and makes informed decisions based on analytics. The results of calculations of the financial impact of Carbon Border Adjustment Mechanism (CBAM) are included in the Company's financial analysis and planning procedures. In 2022, to improve the quality of data collection for effective reporting the Company plans to launch an automated system to collect and process primary climate data, as well as a system of monitoring and rapid response in the area of climate regulation, financial, and other impacts. The Company also plans to improve its routine climate reporting according to Russian and international standards (in 2021-2022). The Company is actively working to improve the competencies of its employees when it comes to climate-related regulations. Efforts are being made to integrate climate change considerations into the Company's HR policy, impacting staff recruitment, advanced professional training, etc. The Company constantly improves climate-related qualifications of its staff and promotes the importance of climate agenda in its operations. Climate indicators will be included into employee incentive mechanisms starting in 2021-2022. The Company actively engages with government bodies and professional communities in Russia and abroad to ensure informed decision-making on climate regulation. The Company's actions in this area are based on a combination of strict compliance with mandatory requirements, as well as voluntary initiatives.
Technology	Not relevant, explanation provided	Excluded based on the results of the company's monitoring of key risks.
Legal	Not relevant, explanation provided	Excluded based on the results of the company's monitoring of key risks.
Market	Relevant, always included	The risks include increased costs and losses for the Company as a result of the inability of customers to meet their financial obligations, increased cost of raw materials and services, and increased cost of debt. There is also a possibility of a decrease in the Company's income as a result of reduced sales volumes. Increased market volatility in the context of the global economic crisis, uncertainty about market signals, increased cost of raw

		materials and other factors have a negative impact on the behavior of value chain counterparties (up and down), investors and other stakeholders. There is a growing threat of the loss of market access, reduced profits, and diminished competitiveness. The Company continuously monitors and analyzes climate-related requirements of current and potential investors and banks, monitors the availability of innovative products and services with improved climatic characteristics, and monitors and forecasts the condition and geographical location of the activities in need of the Company's products. The Company anticipates market conditions and responds to changes in a timely manner; develops strategies and tactics for working with counterparties whose financial obligations are exposed to high levels of climate-related risks. This work includes developing selection criteria, adjusting payment terms, requiring provision of bank guarantees or the use of letters of credit and factoring, etc.). Finally, the Company monitors accounts receivable for potential disruption as a result of climate factors, and thoroughly analyzes changes in the pricing environment and suppliers in markets for energy, equipment, raw materials, commodities, and supplies. All activities are integrated into current planning documents (Company projects).
Reputation	Relevant, always included	The risks include deterioration of the Company's reputation in terms of sustainability criteria. The impacts include changes in consumer preferences, increased stakeholder concern or negative stakeholder feedback as a response to non-compliance of the Company's products and operations with climate requirements. Due to the nature of its products and their use, the Company experiences constant attention from investors, consumers and other stakeholders, supported by public concern about the climate-related aspects of operation. Deterioration of the Company's reputation could result in the loss of customers and reduce the Company's attractiveness in the labor market. The Company continuously improves efficiency of product use and works to improve its environmental performance and reduce its carbon footprint (R&D, organizational and educational activities involving fertilizer consumers, etc.). R&D is planned in accordance with the Company's investment programs and projects. The Company continues its work on selecting the most sustainable suppliers with positive climate characteristics, sound climate policies, and a commitment to sustainable development principles. The Company works systematically to improve the reliability of supply chains and expand its ability to work in different climatic and institutional conditions. The Company is taking a variety of technical, technological, and

		organizational measures to reduce the carbon footprint of its operations and products and to strengthen the Company's reputation as a sustainable, environmentally and climatically responsible business.
Acute physical	Relevant, always included	Acute physical risks include disruption of the technological process and logistical operations due to increasing acute climatic impacts. Increased frequency and intensity of extreme weather conditions leads to destruction of the ground surface, communication lines, means of navigational support for marine transport and other facilities (primarily in areas of permafrost), an increase in the threat of catastrophic rain floods and periods of water scarcity of various degrees, an increase in the number of icebergs in the Arctic seas, etc. This has a negative impact on the Company's production and infrastructure facilities and significantly reduces its revenues. The Company pays serious attention to these issues at all stages – from justification of planned design solutions, construction and operation, to conservation of production and infrastructure facilities.
Chronic physical	Relevant, always included	Chronic physical risks include disruptions in supply chains, construction design, health and safety; disruption of ecosystems and loss of ecosystem service flows; lowered resilience of infrastructure and communications due to increasing climatic impacts. Changes in precipitation patterns, wind patterns, atmospheric air temperature (heat waves, cold waves, increased frequency of zero temperature transitions, etc.) result in disruptions in supply chains, disruptions in operating modes of production facilities, complications in working conditions and industrial safety, and increased negative impacts on ecosystems and ecosystem service flows. Such risks cause financial losses as a result of prolonged production downtime, the need to replace and repair equipment and machinery, exposure to environmental penalties, etc. The company constantly focuses on the climatic aspects of production and operational processes at all stages of the product life cycle.

C2.3 Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Emerging regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

The Company expects to bear high costs associated with supplying products to the markets of the European Union under the European Green Deal. It is expected that similar restrictive measures related to net-zero commitments will be introduced by other importing countries of the Company's products. The Russian Federation is also expected to introduce climate regulation mechanisms.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

14,000,000

Potential financial impact figure – maximum (currency)

35,000,000

Explanation of financial impact figure

Estimated at 0.8 to 1.2 percent of revenue

Cost of response to risk

4,230,000

Description of response and explanation of cost calculation

The Company has analyzed the impact of the Carbon Border Adjustment Mechanism (CBAM) on PhosAgro's operating expenses. The new mechanism will cover Russian industrial products, including, most likely, mineral fertilizers. Given the uncertainties as to the emission scopes the CBAM will apply to, we have determined the potential ceiling and floor of the mechanism's impact on the Company's financial performance in 2023–2030, based on the projected cost per tonne of CO2 emissions under the European Union Emissions Trading System.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Market

Uncertainty in market signals

Primary potential financial impact

Other, please specify

Other financial losses

Company-specific description

Violation of contract terms by buyers, commercial contractors, and other counterparties due to (1) unpredictable and significant changes in prices for energy resources, commodities, raw materials, etc., (2) changes in market conditions and geopolitical factors, and (3) increased physical climate-related impacts on production processes.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

17,650,000

Potential financial impact figure – maximum (currency)

35,300,000

Explanation of financial impact figure

Estimated based on an expected revenue loss of 0.5 to 1 percent.

Cost of response to risk

1,800,000

Description of response and explanation of cost calculation

Based on the following costs: (1) development and implementation of criteria for attributing accounts receivable to the facts caused by climatic changes (transitional and physical), (2) development of strategy and tactics for work with contractors whose financial obligations are exposed to high climatic risks, including the adjustment of payment terms, provision of bank guarantees, use of letters of credit and factoring, etc.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Reputation

Increased stakeholder concern or negative stakeholder feedback

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

Decrease in investment attractiveness (investor interest) and decrease in the Company's market share (consumer demand) due to the high carbon footprint of its products (production and consumption). Decrease in the Company's ESG ratings and capitalization.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

28,200,000

Potential financial impact figure – maximum (currency)

42,300,000

Explanation of financial impact figure

Estimated at 0.8 to 1.2 percent of revenue

Cost of response to risk

4,230,000

Description of response and explanation of cost calculation

Estimated at 10 percent of the potential financial impact

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Other, please specify

Increased frequency and intensity of extreme weather events

Primary potential financial impact

Increased capital expenditures

Company-specific description

An increase in the frequency and intensity of extreme weather conditions leads to the disruption of production and logistics processes, has a tangible negative impact on the Company's production and infrastructure facilities, and significantly reduces its income.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

13,200,000

Potential financial impact figure – maximum (currency)

52,800,000

Explanation of financial impact figure

The potential financial impact is calculated as a share (from 2% to 8%) of the sum total of capital repair fund, capital construction fund, environmental protection costs, labor protection costs, and the costs of supporting special services.

Cost of response to risk

5,780,000

Description of response and explanation of cost calculation

Tentatively estimated at 10 percent of the potential financial impact

Comment

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Changing temperature (air, freshwater, marine water)

Primary potential financial impact

Increased direct costs

Company-specific description

The Company may suffer financial losses due to prolonged production downtime, the need to replace and repair equipment and machinery, pay environmental fines, etc., as a result of supply chain disruptions, violations of the operating regime of production facilities, complications in working conditions and industrial safety, and increased negative impacts on ecosystems and ecosystem service flows.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

48,400,000

Potential financial impact figure – maximum (currency)

97,000,000

Explanation of financial impact figure

Estimated financial impact is based on expected revenue loss due to 5-10 days of downtime of fertilizer production facilities during the year

Cost of response to risk

202,300,000

Description of response and explanation of cost calculation

The cost of modernization and construction of new cooling facilities at the Balakovo, Cherepovets and Volkhov production facilities over seven years.

Comment

C2.4 Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Investors, consumers, and other stakeholders raise their expectations around climate-related characteristics of products and production processes, thus prompting the Company to seek and implement additional measures to reduce its carbon footprint.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

28,200,000

Potential financial impact figure – maximum (currency)

42,300,000

Explanation of financial impact figure

Estimated in the range of 0.8 to 1.2 percent of the Company's annual revenue.

Cost to realize opportunity

1,400,000

Strategy to realize opportunity and explanation of cost calculation

The minimum necessary costs are set at approximately 50 percent of the funding for the Company's Information Policy Directorate, due to its significant role in the implementation of this opportunity.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient modes of transport

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Improvement of logistics and improved market access due to the significant expansion of shipping capabilities and cargo operations in the Volga, Baltic, and Barents Sea basins.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

3,530,000

Potential financial impact figure – maximum (currency)

17,650,000

Explanation of financial impact figure

Estimated in the range of 0.1 to 0.5 percent of the Company's annual revenues, according to expert estimates of expected market expansion and transportation cost savings.

Cost to realize opportunity

8,000

Strategy to realize opportunity and explanation of cost calculation

The costs reflect the participation of the Company's top management in the discussion and adoption of regulations on improving conditions for cargo navigation on water systems of the Russian Federation (both river and sea) in a warming climate. The cost is calculated tentatively at the Company's executive compensation for 15 days.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Other, please specify

Introducing financial products to new markets

Primary potential financial impact

Increased diversification of financial assets

Company-specific description

The emergence of new financial products that open up new sources of attracting cheaper financing for environmentally- and climate-friendly companies (e.g., green bonds). The Company seeks to increase its financial stability through asset diversification and the use of new tools to fulfil its climate responsibility.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

7,060,000

Potential financial impact figure – maximum (currency)

21,180,000

Explanation of financial impact figure

Estimated, at a minimum level, in the range of 0.2 to 0.6 percent of the Company's annual revenues.

Cost to realize opportunity

50,000

Strategy to realize opportunity and explanation of cost calculation

The cost is estimated at the level of the annual salary of two employees of the Financial Department, which will drive Company's activities around realizing this opportunity. Employees' duties will include monitoring markets of green bonds, as well as financial and economic analysis of opportunities and risks from the use of new financial instruments. This will help enhance the Company's reputation against

the backdrop of intensified climate change activity by banks and other financial institutions, in response to requests from responsible businesses and investment actors, under increasing public pressure and measures taken by governments and international organizations.

Comment

C3. Business Strategy

C3.1 Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, our strategy has been influenced by climate-related risks and opportunities, but we do not plan to develop a transition plan within two years

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

PhosAgro fully appreciates the complexities of reducing greenhouse gas emissions in connection with the 1.5-degree scenario. This is why the Company's approach to implementing change is one of consistent and long-term transformation. The low-carbon transition plan was developed in the first half of 2020; it will be revised within two years.

C3.2 Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios IEA 2DS	Company-wide		Scenario definition: Input data was based on indicators of greenhouse gas emissions, prices for fossil fuels and electricity, and the use of renewable energy. Aspects of policy measures to reduce greenhouse gas emissions and reduce climate warming were considered. Assumptions used included IEA ETP 2017, IEA WEO 2019, and The Future of Petrochemicals

			towards More Sustainable Plastics and Fertilizers, also by IEA (for industry-specific assumptions relevant to fertilizers production). The scenario was defined based on the expert evaluation and projections of input parameters' influence on risks and opportunities, which were further quantified according to the Company's risk assessment methodology. The following key areas of PhosAgro's activities (and corresponding business processes) were considered as part of the climatic scenario analysis: strategic (human resources and social), operational (design, business processes, environment, health and safety), production (technology, equipment, energy complex), regulatory (compliance with regulatory requirements), financial (interest, credit, sales, raw materials) and reputational. Time periods: Scenario indicators are considered in the short term (0-3 years), medium term (3-10 years) and long term (10-30 years) relevant to PhosAgro PJSC activities. This scenario is particularly relevant in the short and medium-term, where the greatest policy action is expected. Results and impact on business objectives: If this scenario materializes in the short term, the company expects increased risks of non-compliance with regulatory requirements. In the medium term, financial, reputational and personnel risks caused by transitional climatic factors will increase significantly. To realize the possibilities of this scenario, the company plans to supply the market with goods characterized by high consumer properties and improved climatic characteristics (innovative research and feasibility studies are planned). The scenario was used to establish science-based targets of greenhouse gas emission reductions. Based on the results, PhosAgro has also developed a set of strategic measures to minimize climate risks and maximize opportunities offered by climate change.
Physical climate scenarios RCP 2.6	Company-wide		Scenario definition: Air temperature, precipitation, number of dangerous hydrometeorological phenomena were used as input data. Assumptions regarding the climate

			change parameters originated from the IPCC's Fifth Assessment. The scenario was defined based on the expert evaluation and projections of input parameters' influence on risks and opportunities, which were further quantified according to the Company's risk assessment methodology. The following key areas of PhosAgro's activities (and corresponding business processes) were considered as part of the climatic scenario analysis: strategic (human resources and social), operational (design, business processes, environment, health and safety), production (technology, equipment, energy complex), regulatory (compliance with regulatory requirements), financial (interest, credit, sales, raw materials) and reputational. Time periods: Scenario indicators are considered in the short term (0-3 years), medium term (3-10 years) and long term (10-30 years) relevant to PhosAgro PJSC activities. This scenario is particularly relevant in the short and medium-term, where the greatest policy action is expected. Results and impact on business objectives: Under this scenario, the company expects significant growth in financial, reputational and personnel risks in the medium term due to physical climatic factors. In this scenario, the company plans to supply the market with goods characterized by high consumer properties and improved climatic characteristics (innovation research, feasibility studies). The scenario was used to establish science-based targets of greenhouse gas emission reductions. Based on the results, PhosAgro has also developed a set of strategic measures to minimize climate risks and maximize opportunities offered by climate change (including, for example, improvement of mining and transportation processes of apatite-nepheline ore, improving energy efficiency in ammonia production, and other activities).
Physical climate scenarios RCP 8.5	Company-wide		Scenario definition: Air temperature, precipitation, number of dangerous hydrometeorological phenomena were used as input data. Assumptions regarding the climate

			change parameters originated from the IPCC's Fifth Assessment. The scenario was defined based on the expert evaluation and projections of input parameters' influence on risks and opportunities, which were further quantified according to the Company's risk assessment methodology. The following key areas of PhosAgro's activities (and corresponding business processes) were considered as part of the climatic scenario analysis: strategic (human resources and social), operational (design, business processes, environment, health and safety), production (technology, equipment, energy complex), regulatory (compliance with regulatory requirements), financial (interest, credit, sales, raw materials) and reputational. Time periods: Scenario indicators are considered in the short term (0-3 years), medium term (3-10 years) and long term (10-30 years) relevant to PhosAgro PJSC activities. This scenario is particularly relevant in the short and medium-term, where the greatest policy action is expected. Results and impact on business objectives: Under this scenario, the company expects risks (especially in the long and medium term) to increase due to the impact of physical climatic factors on the company: (1) production processes - a shortage of cooling capacity in fertilizer production due to higher maximum temperatures and prolonged hot periods during the warm season and a significant complication of rock extraction and transportation conditions at apatite-nepheline raw material extraction sites; (2) operational processes - a violation of the raw material and product transportation regime (land and water transportation) caused by more frequent acute climatic factors. At the same time, we forecast real opportunities to expand sales markets by promoting crop production and other activities using the company's products in the northern direction. The scenario was used to establish science-based targets of greenhouse gas emission reductions. Based on the results, PhosAgro has also developed a set of strategic measures to minimize climate risks and maximize opportunities offered by climate change

			(including, for example, improvement of mining and transportation processes of apatite-nepheline ore, improving energy efficiency in ammonia production, and other activities).

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Focal questions	**Results of the climate-related scenario analysis with respect to the focal questions**
Possible future events, factors and drivers relevant to the Company's business development, effective strategy for the Company, to the Company's financial planning	Under the 4 °C scenario the Company foresees a significant increase in risks connected with: - disruptions in the production processes for finished products, mining and transportation of rock mass, power outages; - lower quality of design and planning decisions, adverse impact on ecosystems as a result higher environmental costs; - increased risks of injuries and industrial accidents. Climatic opportunities are forecasted to be of a lesser extent and are associated mainly with the improvement of transportation capacity. Under the 2 °C scenario, increased pressure on business is expected due to the tightening of regulatory and political measures to reduce the negative impact on climate. Strategic planning is regarded as the most important factor in the Company's approach to sustainable development, as well as the stability and quality of its workforce. In general, risks and opportunities for implementing the strategy are not directly determined by the realization of any particular climate scenario. However, negative trends are already increasing due to growing public intolerance of climate irresponsibility of business in connection with the intensification of negative climate conditions. The influence of the regulatory sphere (regulatory compliance) on the strategy has already created significant risks. Their greatest impact is predicted under the 2 °C scenario. New opportunities are available as the Company implements measures to improve the climate aspects of production and reduce the climate footprint of its products. The influence of the reputational risks and opportunities on the strategy is most evident under the 4°C scenario, in which case it will be influenced by requests from the investment community, consumers, and other stakeholders. The Company is aware that the absence of a constructive dialogue about environmental impact on the local communities of the areas of production location (e.g., around the issue dusting of production waste) can create significant and very tangible risks to the Company's business reputation and its development strategy. From the financial planning perspective, the most significant increase in financial planning risks is expected under the 2 °C scenario -– an

	increase in interest rates, disruptions in the purchase of energy, raw materials, inventories due to climate shifts in policy and price regulation, failure by the Company's contractors to fulfill their obligations, reductions in sales volumes, especially in markets with strong climate regulations. New opportunities are also emerging, including green financial products, expansion of geography of consumption (northward expansion of crop farming), innovations in production and technologies that require the Company's products (such as the transition to biofuel, cultivation of new kinds of timber, etc.). Under the 4 °C scenario, the nature of these trends will not change, although they will appear with a delay in the medium term.

C3.3 Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	**Description of influence**
Products and services	Yes	The Company recognizes that reducing products' carbon footprint is essential for business development. The Company constantly monitors potential changes in demand in fertilizer markets influenced by both physical and transitional climate factors, which may open up additional opportunities for product sales (new types of fertilizers, expansion of delivery options, etc.). For example, the Company marketed urea with urease inhibitors, a modern low-carbon fertilizer that helps reduce nitrogen losses in the form of N2O, production costs were 945.5$. The Company plans to develop specialized impregnation additives and market low-carbon NPK/NP/NS fertilizers, as well as innovative biomineral fertilizers, fertilizers with inhibitors and ameliorants, and fertilizers with prolonged action. As part of reducing the carbon footprint of products, the Company took measures to improve energy efficiency of transportation by using innovative rolling stock and optimizing rail transportation schemes, leading to a 15% increase in the effectiveness of loading and delivery operations at the Kirov and Rasvumchor mines. The company has estimated the capital cost of technology upgrades as part of the low-carbon transition plan and prepared for review by the Board of Directors (Scope 1). The measures are ranked according to the cost of reducing one ton of direct CO2-equivalent emissions. The costs of converting about 20% of the output of the mining and processing plant to renewable energy were also assessed.

Supply chain and/or value chain	Yes	The Company recognizes effective and responsible supply chain management as an essential element of its climate responsibility system, extending it up the value chain (in terms of suppliers of energy, raw materials, commodities, etc.) and down the value chain (consumers of the Company's products). The tools used in this process include climate responsibility requirements, primarily in bidding procedures impacting the supply of goods and services, and directly contribute to the establishment of appropriate targets and values in the business community and in the society. The most significant current projects in this area include: 1. research into using white cast iron armor for mills and steel balls of the fifth hardness, which will make it possible to reduce consumption of these materials due to lower consumption and, consequently, reduce their carbon footprint; 2. a joint project focused on transitioning the main lime supplier from coal to gas. The Company conducts an ESG assessment of its suppliers. It is comprehensive and includes 61 indicators along environmental, social, corporate governance, and quality dimensions. The ESG assessment is a prerequisite for all suppliers as part of the process of registration on the electronic trading platform PhosAgro (https://www.phosagro.ru/procurement/to-suppliers/how-to-be-a-supplier/). By answering the ESG questionnaire, each supplier consents to the Company making additional inquiries to verify the reliability of the answers and data provided. Climate issues have equal weight with other environmental issues in the supplier selection process. The Company has a Counterparty Code of Conduct, which requires compliance with environmental and climate requirements. In 2021, the system was automated, which allowed to significantly increase coverage of the contractors (by 48% compared to 2020). The Company is working to create a system for training counterparties on various aspects of ESG, including climate responsibility.
Investment in R&D	Evaluation in progress	As part of its research and development activities, the Company works to identify ways to reduce energy and resource consumption during fertilizer production and, in general, to reduce the carbon footprint of the Company's products (during production and consumption). In 2021, NIUIF in cooperation with the Timiryazev RSCA continued research into the possibility of creating innovative types of fertilizers with delayed and controlled release of nutrients, obtained by applying inorganic coatings/shells on pellets. The Company plans to optimize the use of heat created as a result of chemical reactions and reduce natural

		gas consumption and, accordingly, greenhouse gas emissions at the fertilizer drying stage at the Cherepovets complex. Research is underway on three new products: "ApaSil", bio-fertilizers, BioPPP (plant protection products).
Operations	Yes	According to the results of the scenario analysis, under the 2 °C scenario, the introduction of strict political measures of climate regulation is expected.This will increase the instability of markets for goods and services, as well as financial markets, as a necessary condition for the global low-carbon transition. The Company has developed a forecast of the short-term dynamics of the risk of non-compliance with the regulatory requirements for limiting negative climate impacts. In addition, the company analyzed the impact of the Carbon Border Adjustment Mechanism (CBAM) on PhosAgro's operating costs as it will most likely apply to the Company's products. Given the uncertainty over the volumes of emissions to which the CBAM will apply, the ability to account for individual emission levels, and changes in the price of carbon dioxide, we have identified a potential high and low estimates of the mechanism's financial impact 2023-2030.

C3.4 Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	**Description of influence**
Row 1	Direct costs Capital expenditures	Capital Expenditures: As instructed by the Board of Directors, we prepared financial proposals for capital expenditures on technical upgrades and modernization projects included in the low-carbon transition plan and aimed at reducing direct greenhouse gas emissions (Scope 1) for the period from 2020 to 2028. These financial proposals were submitted to the Board for consideration. The projects are ranked by the cost of reducing a ton of direct CO2 equivalent. In order to determine the schedule for financing project implementation, a technical audit will be conducted at the company's facilities in 2022 with the development of measures to reduce direct greenhouse gas emissions to the adopted science-based target level. The Company via tender procedures has selected a vendor to conduct the technical audit. Direct Costs: The Company has estimated the cost of supplying approximately 20 percent of mining and processing operations with green electricity as part of the agreement signed by the Kirov branch of Apatit OJSC for the purchase of electricity generated by hydropower plants on the Kola Peninsula. The current contract was valid until 30 Oct 2021.

C4. Targets and performance

C4.1 Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

1

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

4,506,067

Base year Scope 2 emissions covered by target (metric tons CO2e)

924,114

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

5,430,118

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2028

Targeted reduction from base year (%)

14

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

4,669,901.48

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

4,675,780

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

893,316

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

5,569,096

% of target achieved relative to base year [auto-calculated]

-18.2813706811

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain target coverage and identify any exclusions

The calculation methodology is adopted in accordance with the guideline documents. Annual monitoring is carried out (since 2015). The data are aggregated by production units (Cherepovets Complex, Balakovo, Volkhov and Kirov branches). Despite measures to reduce greenhouse gas emissions, the growth in production volumes has led to an increase in greenhouse gas emissions.

Plan for achieving target, and progress made to the end of the reporting year

As part of the Climate Strategy, which was approved by the Board of Directors in December 2020, the Company adopted a low-carbon transition plan. The Board of Directors commissioned financial proposals for capital expenditures for technical retrofits and modernization projects included in the low-carbon transition plan and aimed at reducing direct greenhouse gas emissions (Scope 1) by 2028. These financial proposals have been submitted to the Board for consideration. The projects are ranked by the cost of reducing one ton of direct CO2 equivalent. In order to determine the financing schedule for project implementation in 2022, the Company has scheduled a technical audit at its facilities to develop measures to reduce direct greenhouse gas emissions to the adopted science-based target level. The Company has selected a vendor through the bidding process to conduct the technical audit.

List the emissions reduction initiatives which contributed most to achieving this target

C4.2 Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3 Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

Stage of development	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked*)
Under investigation		
To be implemented*	5	0.18
Implementation commenced*	5	0.18
Implemented*	4	77.04
Not to be implemented		

C4.3b Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category

Low-carbon energy consumption

Initiative type

Large hydropower (>25 MW)

Estimated annual CO2e savings (metric tonnes CO2e)

111,884

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

320,300

Payback period

No payback

Estimated lifetime of the initiative

1-2 years

Comment

In 2021 PhosAgro purchased renewable electricity with green attributes, through a free bilateral wholesale market contract, as confirmed by the independent GRI 302-1, GRI 302-3 assurance of 2021 non-financial reporting. See tables on pp. 174-175 and the assurance report on pp. 336-339. https://www.phosagro.ru/upload/iblock/dc9/dc9ee42f1af7716f4ce9cebfde271755.pdf

Initiative category

Low-carbon energy generation

Initiative type

Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

17.2

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4,345

Investment required (unit currency – as specified in C0.4)

67,884

Payback period

11-15 years

Estimated lifetime of the initiative

21-30 years

Comment

Installation of a solar power plant with a total capacity of 40 kW at the Balakovo branch of JSC Apatit

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Initiative category

Energy efficiency in buildings

Initiative type

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

59.84

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

9,029

Investment required (unit currency – as specified in C0.4)

47,519

Payback period

4-10 years

Estimated lifetime of the initiative

21-30 years

Comment

Conversion of JSC Apatit facilities (Balakovo and Volkhov branches) to LED lighting

Initiative category

Energy efficiency in buildings

Initiative type

Insulation

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

33,942

Investment required (unit currency – as specified in C0.4)

61,096

Payback period

1-3 years

Estimated lifetime of the initiative

11-15 years

Comment

Reconstruction of a 4.0 MPa steam pipeline with replacement of thermal insulation at the Volkhov branch of JSC Apatit

C4.3c What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	PhosAgro allocates the necessary capital investments in order to comply with the requirements of current legislation and other regulatory requirements, such as the federal law "On Energy Conservation and Improving Energy Efficiency, and Introducing Amendments to Certain Legislative Acts of the Russian

	Federation," adopted on Nov. 23, 2009 (the "Energy Efficiency Law").
Financial optimization calculations	Charters for energy efficiency programs consider financial implications, such as operational savings

C4.5 Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Chemicals and plastics

Other, please specify

Urea with urease inhibitor

Description of product(s) or service(s)

Urea with urease inhibitor is a climate-friendly product, which allows to increase nutrient uptake by the plant through controlled nutrient release (by reducing the loss of nitrogen in the form of N2O)

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Estimating and Reporting the Comparative Emissions Impacts of Products (WRI)

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Use stage

Functional unit used

Compared to conventional urea, the use of urea with urease inhibitor results in a controlled release of nutrients, increasing their uptake by plants and, consequently, reducing nitrogen losses in the form of N2O

Reference product/service or baseline scenario used

Urea

Life cycle stage(s) covered for the reference product/service or baseline scenario

Use stage

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

16,900

Explain your calculation of avoided emissions, including any assumptions

Adopted in line with research-based calculations at 30% of urea emissions. Determined by converting from CO2 equivalent based on a letter by BASF SE

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

C5. Emissions methodology

C5.1 Is this your first year of reporting emissions data to CDP?

No

C5.1a Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

No

C5.1b Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

Yes, a change in methodology

Scope 2 emissions were calculated using the International Energy Agency (IEA) coefficient (according to the latest actual data for 2019) instead of the forecasted emission factors from the report of the European Bank for Reconstruction and Development (EBRD) "Development of the electricity carbon emission factors for Russia" (2010), and due to the lack of official coefficients in the Russian Federation.

Yes, a change in boundary

Scope 3 emissions were calculated for 6 categories, the remaining categories were found to be insignificant. This decision was made by the Company's stakeholders meeting and was based on the results of the materiality assessment of the Scope 3 categories in accordance with the GHG Protocol criteria (using the results of the annual calculations of all categories of Scope 3 emissions for three years (2019-2021).

C5.1c Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

Yes

To ensure that the results of the inventory of GHG emissions and removals for the base year are representative, they have been reviewed and recalculated using an appropriate documentation procedure. This is done to account for significant cumulative changes in base year emissions resulting from:

- structural changes in reporting or organizational boundaries (i.e., mergers, acquisitions, or divestitures);
- changes in calculation methodologies or emission factors;
- finding an error or a number of cumulative errors that, taken together, are material.

The significance threshold is 5%.

C5.2 Provide your base year and base year emissions.

C5.3 Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Greenhouse Gas Protocol: Scope 2 Guidance

C6. Emissions data

C6.1 What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

4,675,780

Comment

C6.2 Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3 What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

1,005,200

Scope 2, market-based

893,316

Comment

C6.4 Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

PhosAgro has subsidiaries related to sales and supply chain operations and logistics for company's operations.

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Explain why this source is excluded

Emissions from subsidiaries are not significant, as these organizations have no production processes, do not burn fuel; imported electricity and heat are used for the maintenance of office space and communications. Emissions account for less than 5% of the total carbon footprint of the company.

Estimated percentage of total Scope 1+2 emissions this excluded source represents

5 %

Explain how you estimated the percentage of emissions this excluded source represents

The percentage of emissions from excluded sources was determined by the nature of the activity, available reporting data, and expert evaluations.

C6.5 Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

1,963,324

Emissions calculation methodology

Greenhouse gas emissions in this category are calculated using the data on the weight of raw materials purchased by the company and greenhouse gas emission factors in the production of raw materials, provided by suppliers and from the database

Percentage of emissions calculated using data obtained from suppliers or value chain partners

57%

Please explain

The calculation is based on the main types of raw materials used in production. The calculations for previous years (2018-2020) have shown that greenhouse gas emissions from the main types of raw materials and supplies account for about 90% of the total emissions in this category, so the company decided to include only the main types of raw materials and supplies in the calculation.

To collect data for the calculations, the company sent out requests to suppliers to provide data on their greenhouse gas emissions per unit of supplied products. 69 letters were sent out, with the response rate of 25%. Part of the suppliers provided information on greenhouse gas emissions during the bidding and supplier selection

procedure. Thus, 57% of the greenhouse gas emissions in this category are calculated using suppliers' data on greenhouse gas emissions per unit of product supplied. 43% of the greenhouse gas emissions in this category are calculated using greenhouse gas emissions per unit of product supplied from the publicly available database https://www.bilans-ges.ademe.fr/en/basecarbone/donnees-consulter.

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 emissions of the category Capital goods are found to be insignificant, according to the results of the materiality assessment of the Scope 3 categories in accordance with the GHG Protocol criteria.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

392,520

Emissions calculation methodology

Greenhouse gas emissions are calculated based on the volume of fuel resources purchased by the company and greenhouse gas emission factors in the production of fuel resources. The data is obtained from suppliers and the publicly available database.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

25

Please explain

The category includes indicators of greenhouse gas emissions from the production of fuel resources purchased by the company (gasoline, fuel oil, diesel fuel, natural gas etc.).

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

1,031,714

Emissions calculation methodology

Using the Quantis online calculator. Greenhouse gas emissions are estimated by using environmental cost-output datasets based on the World Input-Output Database (WIOD) and the Open IO database.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 emissions of the category Waste generated in operations are found to be insignificant, according to the results of the materiality assessment of the Scope 3 categories in accordance with the GHG Protocol criteria.

Business travel

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 emissions of the category Business travel are found to be insignificant, according to the results of the materiality assessment of the Scope 3 categories in accordance with the GHG Protocol criteria.

Employee commuting

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 emissions of the category Employee commuting are found to be insignificant, according to the results of the materiality assessment of the Scope 3 categories in accordance with the GHG Protocol criteria.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 category Upstream leased assets is not applicable to the Company's operations.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

261,625

Emissions calculation methodology

Using Quantis' online calculator. Greenhouse gas emissions are estimated by multiplying the OpenIO emissions data set by the total transportation and distribution costs down the value chain.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Processing of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

704,402

Emissions calculation methodology

The calculation is made using data on sales volumes of apatite concentrate and greenhouse gas emissions per 1 tonne of apatite concentrate (based on consumer data and from the database).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

85

Please explain

To collect data for the calculations, the company sent out requests to customers to provide data on their greenhouse gas emissions per unit of apatite, nepheline and syenite concentrates used in production. 19 letters were sent out, with a 21% response rate. Thus, 85% of the greenhouse gas emissions in this category are

calculated using suppliers' data on greenhouse gas emissions. 15% of greenhouse gas emissions in this category are calculated using greenhouse gas emission factors from the publicly available database https://www.bilans-ges.ademe.fr/en/basecarbone/donnees-consulter.

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

8,642,214

Emissions calculation methodology

The methodology is presented in Chapter 11, "N2O Emissions from Managed Soils and CO2 Emissions from Lime and Urea Applications". Volume 4: Agriculture, Forestry, and Other Land Uses. Guidelines for National Greenhouse Gas Inventories, IPCC, 2006.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The calculation covers all types of mineral fertilizers sold to customers in the reporting year.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 emissions of the category End of life treatment of sold products are found to be insignificant, according to the results of the materiality assessment of the Scope 3 categories in accordance with the GHG Protocol criteria.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 category Downstream leased assets is not applicable to the Company's operations.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 category Franchises is not applicable to the Company's operations.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 emissions of the category Investments of sold products are found to be insignificant, according to the results of the materiality assessment of the Scope 3 categories in accordance with the GHG Protocol criteria.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

The category is not applicable to the Company's operations.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

The category is not applicable to the Company's operations.

C6.7 Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10 Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.001137

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

5,569,096

Metric denominator

unit total revenue

Metric denominator: Unit total

4,900,000,000

Scope 2 figure used

Market-based

% change from previous year

18.1

Direction of change

Increased

Reason for change

The main reason for the increase in the intensity of emissions is the depreciation of the ruble against the U.S. dollar, which led to a decrease in profits in U.S. dollar terms (without regard to exchange rate differences).

Intensity figure

459

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

5,569,096

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

12,129

Scope 2 figure used

Market-based

% change from previous year

5

Direction of change

Decreased

Reason for change

The main reasons for the reduction in emissions intensity are the cumulative impact of heat capture/cogeneration and various energy efficiency measures implemented in previous years as well as in 2021, as well as an increase in the number of employees from 10.98 thousand in 2018 to 12.13 thousand in 2021.

C7. Emissions breakdowns

C7.1 Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	4,357,039	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	1,392	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	317,349	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2 Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Russian Federation	4,675,780

C7.3 Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By activity

C7.3a Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
JSC Apatit (Cherepovets)	3,706,380
Kirovsk branch of JSC Apatit	665,276
Balakovo branch of JSC Apatit	178,601
Volkhov branch of JSC Apatit	125,523

C7.3c Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
1A2 Manufacturing Industries and Construction	1,648,781
1A2c Chemicals	1,167,170
1A2i Mining (excluding fuels) and Quarrying	481,611
1A3 Transport	192,536
1A3b Road Transportation	13,562
1A3c Railways	8,067
1A3e Other Transportation	170,907
2B1 Ammonia Production	2,535,427
2B2 Nitric Acid Production	299,035

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4 Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

Sector production activity	Gross Scope 1 emissions, metric tons CO2e	Comment
Chemicals production activities	4,483,244	This figure does not include greenhouse gas emissions from transportation activities that are not directly related to the production of chemicals.

C7.5 Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Russian Federation	1,005,200	893,316

C7.6 Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By facility

C7.6a Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
JSC Apatit (Cherepovets)	145,444	145,444
Kirovsk branch of JSC Apatit	734,432	622,548
Balakovo branch of JSC Apatit	45,255	45,255
Volkhov branch of JSC Apatit	80,068	80,068

C7.6b Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
JSC Apatit (Cherepovets) - Phosphates Complex. Sulfuric acid production	14,561	14,561
JSC Apatit (Cherepovets) - Phosphates Complex. Wet-process phosphoric acid production	11,696	11,696
JSC Apatit (Cherepovets) - Phosphates Complex. Mineral fertilizer production	10,387	10,387
JSC Apatit (Cherepovets) - Phosphates Complex. Aluminum fluoride production	975	975
JSC Apatit (Cherepovets) - Phosphates Complex. Other auxiliary facilities	11,379	11,379
JSC Apatit (Cherepovets) - Nitrogen Complex. Ammonia production	40,779	40,779
JSC Apatit (Cherepovets) - Nitrogen Complex. Complex mineral fertilizers production	10,745	10,745
JSC Apatit (Cherepovets) - Nitrogen Complex. Urea production	29,869	29,869
JSC Apatit (Cherepovets) - Nitrogen Complex. Other auxiliary facilities	15,053	15,053
Kirovsk branch of JSC Apatit - Kirovsky mine	125,863	107,852
Kirovsk branch of JSC Apatit - Rasvumchorsky mine	36,301	30,495
Kirovsk branch of JSC Apatit - Vostochny mine	50,092	41,160
Kirovsk branch of JSC Apatit - ANBP-2	173,434	154,375
Kirovsk branch of JSC Apatit - ANBP-3	292,370	240,238

Kirovsk branch of JSC Apatit - Other auxiliary facilities	56,371	48,428
Balakovo branch of JSC Apatit - Sulphuric acid production	15,583	15,583
Balakovo branch of JSC Apatit - Wet-process phosphoric acid production	12,707	12,707
Balakovo branch of JSC Apatit - Mineral salts production	2,033	2,033
Balakovo branch of JSC Apatit - Phosphate fertilizers production	8,636	8,636
Balakovo branch of JSC Apatit - Other auxiliary faciities	6,297	6,297
Volkhov branch of JSC Apatit - Mineral fertilizers production	24,757	24,757
Volkhov branch of JSC Apatit - Phosphoric acid and polyphosphates production	24,552	24,552
Volkhov branch of JSC Apatit - Sulfuric acid production	7,611	7,611
Volkhov branch of JSC Apatit - Other auxiliary facilities	23,149	23,149

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

Sector production activity	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Chemicals production activities	965,893	854,010	This figures include only GHG emissions from energy consumption directly related to chemical production activities.

C-CH7.8 Disclose the percentage of your organization's Scope 3, Category 1 emissions by purchased chemical feedstock.

Purchased feedstock	Percentage of Scope 3, Category 1 tCO2e from	Explain calculation methodology

	purchased feedstock	
Soda ash	1.9	Greenhouse gas emissions are calculated using the data on the weight of raw materials purchased by the company and greenhouse gas emission factors in the production of raw materials, provided by suppliers and from the publicly available database https://www.bilans-ges.ademe.fr/en/basecarbone/donnees-consulter
Other base chemicals	68.5	Greenhouse gas emissions are calculated using the data on the weight of raw materials purchased by the company and greenhouse gas emission factors in the production of raw materials, provided by suppliers and from the publicly available database https://www.bilans-ges.ademe.fr/en/basecarbone/donnees-consulter
Natural gas	0.2	Greenhouse gas emissions are calculated using the data on the weight of raw materials purchased by the company and greenhouse gas emission factors in the production of raw materials, provided by suppliers and from the publicly available database https://www.bilans-ges.ademe.fr/en/basecarbone/donnees-consulter

C-CH7.8a Disclose sales of products that are greenhouse gases.

	Sales, metric tons	Comment
Carbon dioxide (CO2)	0	
Methane (CH4)	0	
Nitrous oxide (N2O)	0	
Hydrofluorocarbons (HFC)	0	
Perfluorocarbons (PFC)	0	
Sulphur hexafluoride (SF6)	0	
Nitrogen trifluoride (NF3)	0	

C7.9 How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Reason	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	84,953	Decreased	1.4	Purchase of renewable hydroelectric power has reduced Scope 2 emissions
Other emissions reduction activities	77.044	Decreased	0.001	Total annual emission reductions for all energy efficiency initiatives implemented at PhosAgro in 2021. (described in C4.3b), divided by the total 2020 emission value.
Divestment				
Acquisitions				
Mergers				
Change in output				
Change in methodology	243,041	Decreased	4	Scope 2 emissions were calculated using the International Energy Agency (IEA) coefficient (according to the latest actual data for 2019) instead of the forecast factors from the report of the European Bank for Reconstruction and Development (EBRD) "Development of the electricity carbon emission factors for Russia", 2010, and due to the lack of officially adopted coefficients in the Russian Federation.
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1 What percentage of your total operational spend in the reporting year was on energy?

More than 10% but less than or equal to 15%

C8.2 Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Activity	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	15,102,966	15,102,966
Consumption of purchased or acquired electricity		299,154	2,027,534	2,326,688
Consumption of purchased or acquired heat		0	242,722	242,722

Consumption of purchased or acquired steam		0	266,931	266,930
Consumption of self-generated non-fuel renewable energy		0		0
Total energy consumption		299,154	17,640,153	17,939,307

C-CH8.2a Report your organization's energy consumption totals (excluding feedstocks) for chemical production activities in MWh.

Activity	Heating value	MWh consumed from renewable sources inside chemical sector boundary	MWh consumed from non-renewable sources inside chemical sector boundary (excluding recovered waste heat/gases)	MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary	Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	10,395,205	0	10,395,205
Consumption of purchased or acquired electricity	N/A	299,154	1,702,102	0	2,001,256
Consumption of purchased or acquired heat	N/A	0	0	0	0
Consumption of purchased or acquired steam	N/A	0	212,546	0	212,546
Consumption of self-generated non-fuel renewable energy	N/A	0	0	0	0
Total energy consumption	N/A	299,154	12,309,853	0	12,609,007

C8.2b Select the applications of your organization's consumption of fuel.

Fuel application	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

Comment

Oil

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

Comment

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

4,836,788

MWh fuel consumed for self-generation of electricity

1,689,518

MWh fuel consumed for self-generation of heat

385,346

MWh fuel consumed for self-generation of steam

2,761,924

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

LHV

Total fuel MWh consumed by the organization

624,605

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

9,209

MWh fuel consumed for self-generation of steam

615,396

Comment

Total fuel

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

Comment

C8.2d Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Energy Carrier	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	1,572,622	1,572,622	0	0
Heat	563,243	498,202	0	0
Steam	11,876,345	11,368,763	0	0
Cooling	0	0	0	0

C-CH8.2d Provide details on electricity, heat, steam, and cooling your organization has generated and consumed for chemical production activities.

Energy Carrier	Total gross generation (MWh) inside chemicals sector boundary	Generation that is consumed (MWh) inside chemicals sector boundary	Generation from renewable sources inside chemical sector boundary (MWh)	Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh)
Electricity	1,379,272	1,379,272	0	0
Heat	0	0	0	0
Steam	10,525,087	10,525,087	0	6,345,616
Cooling	0	0	0	0

C8.2e Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Direct procurement from an off-site grid- connected generator e.g. Power purchase agreement (PPA)

Energy carrier

Electricity

Low-carbon technology type

Large hydropower (>25 MW)

Country/area of low-carbon energy consumption

Russian Federation

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

299,154

Country/area of origin (generation) of the low-carbon energy or energy attribute

Russian Federation

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

1,949

Comment

C8.2g Provide a breakdown of your non-fuel energy consumption by country

Country/area	Consumption of electricity (MWh)	Consumption of heat, steam, and cooling (MWh)	Total non-fuel energy consumption (MWh) [Auto-calculated]
Russian Federation	299,154	0	299,154

C-CH8.3 Does your organization consume fuels as feedstocks for chemical production activities?

Yes

C-CH8.3a Disclose details on your organization's consumption of fuels as feedstocks for chemical production activities.

Fuels used as feedstocks

Natural gas

Total consumption

2,022,459.53

Total consumption unit

thousand cubic metres

Inherent carbon dioxide emission factor of feedstock, metric tons CO2 per consumption unit

1.84

Heating value of feedstock, MWh per consumption unit

9.4

Heating value

LHV

Comment

C-CH8.3b State the percentage, by mass, of primary resource from which your chemical feedstocks derive.

Feedstock source	Percentage of total chemical feedstock (%)
Oil	0

Natural Gas	100
Coal	0
Biomass	0
Waste (non-biomass)	0
Fossil fuel (where coal, gas, oil cannot be distinguished)	0
Unknown source or unable to disaggregate	0

C9. Additional metrics

C9.1 Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

0.06

Metric numerator

Purchased electricity 2,326,630 thousand kWh

Metric denominator (intensity metric only)

Manufactured products 35,248,815 metric tons

% change from previous year

3

Direction of change

Decreased

Please explain

Calculation of the indicator "Purchased electricity per unit of manufactured products and semi-finished products" demonstrates energy intensity of manufactured products. The value of the indicator in 2021 decreased compared to 2020, which demonstrates the Company's efforts in the climate sphere.

C-CH9.3a Provide details on your organization's chemical products.

Output product

Ammonia

Production (metric tons)

1,931,142

Capacity (metric tons)

1,931,142

Direct emissions intensity (metric tons CO2e per metric ton of product)

1.313

Electricity intensity (MWh per metric ton of product)

0.143

Steam intensity (MWh per metric ton of product)

0.324

Steam/ heat recovered (MWh per metric ton of product)

0

Comment

Output product

Other, please specify

Sulfuric acid

Production (metric tons)

7,352,166

Capacity (metric tons)

7,352,166

Direct emissions intensity (metric tons CO2e per metric ton of product)

0.001

Electricity intensity (MWh per metric ton of product)

0.063

Steam intensity (MWh per metric ton of product)

0.113

Steam/ heat recovered (MWh per metric ton of product)

1.079

Comment

Output product

Other, please specify

Phosphoric acid

Production (metric tons)

2,951,999

Capacity (metric tons)

2,951,999

Direct emissions intensity (metric tons CO2e per metric ton of product)

0.026

Electricity intensity (MWh per metric ton of product)

0.131

Steam intensity (MWh per metric ton of product)

0.988

Steam/ heat recovered (MWh per metric ton of product)

0

Comment

Output product

Other, please specify

Aluminum fluoride

Production (metric tons)

58,386

Capacity (metric tons)

10,000

Direct emissions intensity (metric tons CO2e per metric ton of product)

0.256

Electricity intensity (MWh per metric ton of product)

0.309

Steam intensity (MWh per metric ton of product)

1.007

Steam/ heat recovered (MWh per metric ton of product)

0

Comment

Output product

Other, please specify

Mineral fertilizers

Production (metric tons)

9,978,646

Capacity (metric tons)

9,978,646

Direct emissions intensity (metric tons CO2e per metric ton of product)

0.022

Electricity intensity (MWh per metric ton of product)

0.065

Steam intensity (MWh per metric ton of product)

0.237

Steam/ heat recovered (MWh per metric ton of product)

0

Comment

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6 Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

Investment in low-carbon R&D	Comment
Yes	In 2021, PhosAgro continued to develop innovative products. PhosAgro brought to market urea with urease inhibitor, which is a climate-friendly product, as it increases nutrients uptake by plants due to their controlled release (by reducing nitrogen losses in the form of N2O). By 2025, PhosAgro plans to develop and bring to market new fertilizer brands, including innovative biomineral fertilizers, fertilizers with inhibitors and ameliorants, as well as fertilizers with prolonged action. Investments in Research & Development totalled USD 19.2 million in 2021.

C-CH9.6a Provide details of your organization's investments in low-carbon R&D for chemical production activities over the last three years.

Technology area	Stage of development in the	Average % of total R&D investment	R&D investment figure in the reporting	Comment

	reporting year	over the last 3 years	year (optional)	
Waste heat recovery	Large scale commercial deployment	81 - 100%	135,000,000	PhosAgro continuously invests in equipment that allows it to independently generate electricity using waste heat generated during the production process, known as cogeneration. Recent cogeneration capital investment programs include assets put into operation in the course of deploying a new sulphuric acid production technology system and overhauling production equipment between 2018 and 2021. These facilities use waste heat from the combustion of sulfuric acid in phosphate fertilizer production, which provides 100% of the electricity consumed by the respective production facilities, and another 10%-15% is sold to local grids or other consumers.
Carbon capture, utilization and storage (CCUS)	Applied research and development	≤20%		Carbon Capture and utilization is aimed at obtaining raw materials from waste production by processing CO2 and phosphogypsum to produce ammonium sulfate and calcium carbonate (lime). The volume of produced crystalline ammonium sulfate currently does not meet the needs of fertilizer production. An alternative option for the construction of a second facility for the production of crystalline ammonium sulfate from ammonia and sulfuric acid can be the introduction of the technology developed by JSC NIUIF (Patent EAPO 015407B1) for conversion of phosphogypsum by ammonium carbonate solution with obtaining ammonium sulfate and technical calcium carbonate (phospho chalk). The phospho chalk can be processed further to obtain powder lime suitable for neutralization of acidic wastewater. A byproduct of ammonia

				production, carbon dioxide gas (CO2), is used to produce ammonia carbonate solution. This development includes technical solutions for creating a production complex for processing phosphogypsum and carbon dioxide to produce crystalline ammonium sulfate with a capacity of 250,000 tons per year and technical calcium carbonate (lime). At present, capital investments for the construction of the complex are being evaluated.

C10. Verification

C10.1 Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

PhosAgro Integrated Report 2021.pdf

Page/ section reference

Confirmation of GRI 305-1 and ISAE 3000 audit standard assurance is in PwC's Limited Assurance Report on pages 335-339 of the 2021 Integrated Report.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

PhosAgro Integrated Report 2021.pdf

Page/ section reference

Confirmation of GRI 305-2 and ISAE 3000 audit standard assurance is in PwC's Limited Assurance Report on pages 335-339 of the 2021 Integrated Report.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2 Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C7. Emissions breakdown	Year on year change in emissions (Scope 1)	ISAE3000	Confirmation of GRI 305-1 and ISAE 3000 audit standard assurance is in PwC's Limited Assurance Report on pages 335-339 of the 2021 Integrated Report.
C7. Emissions breakdown	Year on year change in emissions (Scope 2)	ISAE3000	Confirmation of GRI 305-2 and ISAE 3000 audit standard assurance is in PwC's Limited Assurance Report on pages 335-339 of the 2021 Integrated Report.
C8. Energy	Energy consumption	ISAE3000	Confirmation of GRI 302-1, 302-3, 302-4 and ISAE 3000 audit standard assurance is in PwC's Limited Assurance Report on pages 335-339 of the 2021 Integrated Report.

C11. Carbon pricing

C11.1 Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, but we anticipate being regulated in the next three years

C11.1d What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

The Federal Law of "On Limiting Greenhouse Gas Emissions," which came into force in December 2021, establishes mandatory reporting on greenhouse gas emissions and also regulates the accounting regime for greenhouse gas sequestration. We have defined the next steps that need to be taken concerning the mandatory reporting on greenhouse gas emissions.

In addition, the Carbon Border Adjustment Mechanism (CBA), part of the European Green Deal, is being implemented, which can lead to increased costs associated with selling our products on European markets through the need to pay additional fees.

Preparing for possible regulatory changes is an important element in developing PhosAgro's overall climate strategy. We believe that raising general awareness of our carbon footprint and climate risks is the main prerequisite for success in this area. In addition, we intend to introduce domestic carbon payments in the coming years and participate in prestigious international and domestic initiatives as well as projects in this area. We are closely monitoring the potential future

impact of proposed legislative and regulatory changes on our operations, operating costs, and capital resources.

C11.2 Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3 Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1 Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify

Annually collect information on greenhouse gas emissions (direct and indirect) in the production of products and services for the Company's needs.

% of suppliers by number

2.5

% total procurement spend (direct and indirect)

11.8

% of supplier-related Scope 3 emissions as reported in C6.5

57

Rationale for the coverage of your engagement

PhosAgro is implementing a Value Chain Engagement Plan as part of its Climate Strategy, which was approved by the Board of Directors in December 2020. According to the Plan, the Company works sequentially with key groups of suppliers: (1) suppliers of energy and fuels and lubricants, (2) suppliers of packaging for product transportation, (3) suppliers of equipment for reconstruction and new

construction, rock mining, pipeline construction, (4) suppliers of raw materials, etc., as well as suppliers of transportation services for the Company's production needs. The Company annually requests suppliers to provide data on greenhouse gas emissions per unit of products supplied to the Company.

Impact of engagement, including measures of success

In 2021, PhosAgro intensified its interaction with suppliers. The Company worked with suppliers to obtain data on their greenhouse gas emissions. Requests for information were sent to more suppliers than in 2020. This has led to an increase in the % of emissions attributable to suppliers, and ultimately, more accurate Scope 3 data.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Other, please specify

Supplier training – Interaction with suppliers to reduce the carbon footprint of the goods they supply to the Company

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

The Company considers effective and responsible interaction with suppliers as a key element of climate activities along the value chain and, more broadly, as a necessary condition for reducing the carbon footprint of its products.

The Company has a Counterparty Code of Conduct, which requires compliance with environmental and climate requirements.

The Company is working with suppliers to change the characteristics of the supplied products to reduce its carbon footprint. The most significant current projects of the Company in this area include research into using white cast iron armor for mills and steel balls of the fifth hardness, which will make it possible to reduce consumption of these materials due to lower consumption and, consequently, reduce the carbon

footprint, as well as a joint project focused on transitioning the main lime supplier from coal to gas.

Impact of engagement, including measures of success

In 2021, the system was automated, which allowed to significantly increase coverage of the counterparties (by 48% compared to 2020). The Company is working to create a system to educate contractors on aspects of ESG, including climate responsibility.

Comment

C12.1b Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

5

% customer-related Scope 3 emissions as reported in C6.5

85

Please explain the rationale for selecting this group of customers and scope of engagement

The Company actively educates fertilizer consumers about the development and introduction of fertilizers with improved climatic characteristics (in production and consumption); market releases of fertilizers with reduced greenhouse gas emissions when released into the soil (urea with urease inhibitor); and optimal fertilizer application regimes to reduce greenhouse gas emission during its use.

C12.1d Give details of your climate-related engagement strategy with other partners in the value chain.

Stakeholder engagement includes the Company's participation in international, national, and regional initiatives aimed at mitigating negative climate impacts and increasing adaptation to climate change.

An important initiative of the Company in this area is the launch of a carbon polygon, jointly with the government of the Vologda Region. This is a pilot project aimed at in-situ monitoring and a detailed study of climatic characteristics of agro-ecosystems (in terms of absorption and release of greenhouse gases) when applying mineral fertilizers. The company has created the working group of the project, including 93 representatives of 19 Institutes of the Russian Academy of

Sciences (RAS). A comprehensive study was conducted and detailed terms of reference for forestry and agricultural parts of the landfill were formed. In collaboration with RAS, the Company organized research experiments in "Nemchinovka" and established an agrostation with new products with full crop rotation. Fifteen federal centers and institutes are involved in the work. Plans for 2022 include continuing cooperation with the RAS on the carbon polygon project and the purchase of necessary equipment.

For other projects aimed to create and promote innovative products, involving leading Russian scientists, the Company plans to work on biotechnology and fodder additives, to test and register new biomineral fertilizers, and to form a pool of new promising projects.

Work continued within the framework of Soil Laboratory Network (RESOLAN), together with FAO (Food and Agriculture Organization of the United Nations), the UN Global Compact. The Company is a member of The Russian Union of Industrialists and Entrepreneurs on climate policy and carbon regulation and takes an active part in national (Russian) and international programs aimed at mitigating climate change. Members of the Board of Directors participate as speakers in high-level international forums on sustainable development.

C12.2 Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

The supplier questionnaire includes the criterion relating to compliance with regulatory requirements to reduce greenhouse gas emissions: the availability of reporting on greenhouse gas emissions (the system adopted in the Russian Federation).

% suppliers by procurement spend that have to comply with this climate-related requirement

98

% suppliers by procurement spend in compliance with this climate-related requirement

98

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

Response to supplier non-compliance with this climate-related requirement

Other, please specify

Significant reduction of the supplier's advantages in the competitive procedure for contracting

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Climate-related requirement

Climate-related disclosure through a public platform

Description of this climate related requirement

The supplier questionnaire includes the criterion relating to compliance with regulatory requirements to reduce greenhouse gas emissions: the availability of published reporting on greenhouse gas emissions (a system adopted in Russia or internationally) and willingness to exchange information with PhosAgro on greenhouse gas emissions necessary for climate reporting.

% suppliers by procurement spend that have to comply with this climate-related requirement

98

% suppliers by procurement spend in compliance with this climate-related requirement

98

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

Response to supplier non-compliance with this climate-related requirement

Other, please specify

Significant reduction of the supplier's advantages in the competitive procedure for contracting

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Climate-related requirement

Implementation of emissions reduction initiatives

Description of this climate related requirement

The supplier questionnaire includes the criterion relating to the presence and implementation of emissions reduction initiatives: the company has developed, implemented and maintained a program for energy efficiency; the availability of

approved measures to reduce greenhouse gas emissions; the company makes a calculation of greenhouse gas emissions.

% suppliers by procurement spend that have to comply with this climate-related requirement

98

% suppliers by procurement spend in compliance with this climate-related requirement

98

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

Response to supplier non-compliance with this climate-related requirement

Other, please specify

Significant reduction of the supplier's advantages in the competitive procedure for contracting

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Climate-related requirement

Setting a low-carbon energy target

Description of this climate related requirement

The supplier questionnaire includes the criterion relating to the presence of emission reduction target(s): the presence of approved targets of greenhouse gas emissions.

% suppliers by procurement spend that have to comply with this climate-related requirement

98

% suppliers by procurement spend in compliance with this climate-related requirement

98

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

Response to supplier non-compliance with this climate-related requirement

Other, please specify

Significant reduction of the supplier's advantages in the competitive procedure for contracting

C12.3 Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, we engage indirectly through trade associations

Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, but we plan to have one in the next two years

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

Measures financed by the Company as part of the implementation of the Climate Agenda are included in strategic development and financial planning documents (including relevant budgets). These measures include forestry and agricultural project scope of the Vologda Region carbon polygon, and expert cooperation as part of the PhosAgro Climate Agenda project.

C12.3a On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate

Adaptation and/or resilience to climate change

Mandatory climate-related reporting

Specify the policy, law, or regulation on which your organization is engaging with policy makers

UN Global Compact Platforms "Water Sustainability Coalition", "Climate Goals"

Policy, law, or regulation geographic coverage

Global

Country/region the policy, law, or regulation applies to

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

At the global level - PhosAgro has confirmed its status as a leader of the UN Global Compact for the third time. PhosAgro has demonstrated its commitment to the UN Global Compact by participating in the Coalition for Water Sustainability and Climate Goals action platforms. The UN Global Compact, in partnership with PhosAgro and with the support of Accenture and SAP, launched a regional track of the Sustainable Development Goals (SDGs) education program in Russia and Belarus - SDG Ambition.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Focus of policy, law, or regulation that may impact the climate

Adaptation and/or resilience to climate change

Emissions trading schemes

Mandatory climate-related reporting

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Law of the Russian Federation "On Limiting Greenhouse Gas Emissions"

Policy, law, or regulation geographic coverage

National

Country/region the policy, law, or regulation applies to

Russian Federation

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

At the national level - participation in the discussion of the final version of the draft law "On Limiting Greenhouse Gas Emissions'' and relevant regulations within the framework of the Committee on Climate Policy and Carbon Regulation. Supported the adoption of the draft federal law "On Limiting Greenhouse Gas Emissions'' in view of the increased climatic risks (physical and transitional). Support for adjusting the methodology used in Russia to calculate greenhouse gas emissions to align with

international best practices, in order to avoid double reporting by companies.
Participation in the discussion regarding the timing of carbon pricing.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Focus of policy, law, or regulation that may impact the climate

Other, please specify

Projects to reduce emissions and absorb greenhouse gases, inventory and monitoring of greenhouse gases

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Regulatory document of the Vologda Oblast government on cooperation within the framework of the Carbon Disposal Site (cooperation agreement with PhosAgro)

Policy, law, or regulation geographic coverage

Sub-national

Country/region the policy, law, or regulation applies to

Russian Federation

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

At the sub-national level - interaction with the Vologda Oblast government and the Russian Academy of Sciences (within the cooperation agreement) on climate change control and climate impact minimization. The Company organized projects on low-carbon topics and the introduction of promising agricultural and forestry practices aimed at preventing emissions and carbon dioxide absorption by soils.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.3b Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate

Trade association

Russian Association of Fertilizer Producers

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

There are no differences.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Trade association

International Fertilizer Industry Association

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

There are no differences.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.3c Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization	State the organization to which you provided funding	Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)	Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate	Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
Research organization	Russian Academy of Sciences		Conducting theoretical and applied scientific research with substantiation of the obtained results in the field of the climate agenda.	No, we have not evaluated
Research organization	FRECOM (an independent company providing professional services in environmental protection)		Supporting social action to strengthen sustainable development trends - as part of the ESG and the climate agenda	No, we have not evaluated
Non-Governmental Organization (NGO) or	Dioceses of the Russian Orthodox Church		Conducting theoretical and applied scientific research with substantiation of the	No, we have not evaluated

charitable organization			obtained results in the field of the climate agenda. Supporting social action to strengthen sustainable development trends - as part of the ESG and the climate agenda	

C12.4 Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

PhosAgro Integrated Report 2021.pdf

Page/Section reference

Management: 206, 207, 160

Strategy: 164, 94

Climate risks and opportunities: 165-166

Emission targets: 156-157, 163

Emission targets, low-carbon transition plan: 167

Reporting: 202-203

Energy efficiency measures: 172-173

Metrics and results: 170-171

Key emission reduction outcomes: 119

Research and development activities: 105-107

Innovative products: 62

Content elements

Governance

Strategy

Risks & Opportunities

Emissions figures

Emission targets

Other metrics

Other, please specify

Low-carbon transition plan, reporting, energy efficiency measures, metrics and results, key emission reduction results, research and development activities, innovative products

Comment

C15. Biodiversity

C15.1 Is there board-level oversight and/or executive management-level responsibility for biodiversity-related matters within your organization?

Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Yes, both board-level oversight and executive management-level responsibility	In 2021, the Company's Environmental Policy was amended to focus on obligations to take measures to preserve biodiversity, natural landscapes, and natural systems in the regions of operation, as well as to prohibit activities that could harm biodiversity, natural landscapes and natural systems in the areas where PhosAgro Group projects are implemented. When evaluating and designing new production facilities or retrofitting existing ones, it is mandatory to conduct an environmental impact assessment (EIA), including natural landscapes, ecosystems and biodiversity (flora and fauna). The EIA determines the permissibility of the impact and/or the possibility of reducing it. Then, as part of the project documentation, a set of measures is developed to reduce the identified negative impacts on the environment during the construction/reconstruction of the facility and during its operation. Appropriate measures are then implemented during the construction of the facility and during its operation. Responsibility for the proper implementation of these processes and compliance with regulatory requirements in terms of permissible impacts on biodiversity is borne by the environmental and nature management divisions of each industrial site (Cherepovets, Balakovo, Volkhov, Kirov), and for the entire PhosAgro production complex – by the Company's Environmental and Nature Management Division. The Environment, Health and Safety Committee of the Board of Directors oversees significant environmental aspects of the Company's operations (including issues related to biodiversity).

C15.2 Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity

No, but we plan to do so within the next 2 years

C15.3 Does your organization assess the impact of its value chain on biodiversity?

Yes, we assess impacts on biodiversity in both our upstream and downstream value chain

C15.4 What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

Have you taken any actions in the reporting period to progress your biodiversity-related commitments?

Yes, we are taking actions to progress our biodiversity-related commitments

Type of action taken to progress biodiversity- related commitments

Other, please specify

Conservation of aquatic biological resources. The Company launches juvenile fish into water bodies in the regions of operation.

C15.5 Does your organization use biodiversity indicators to monitor performance across its activities?

Does your organization use indicators to monitor biodiversity performance?

No, we do not use indicators, but plan to within the next two years

C15.6 Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type

In mainstream financial reports

Content elements

Impacts on biodiversity

Other, please specify

Official website of the Company

Attach the document and indicate where in the document the relevant biodiversity information is located

PhosAgro Integrated Report 2021.pdf

pp. 188-189

https://www.phosagro.ru/upload/iblock/dc9/dc9ee42f1af7716f4ce9cebfde271755.pdf

Official website of the Company

C16. Signoff

C-FI Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Integrated report2021.pdf

C16.1 Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Head of the Department of Ecology and Environmental Management	Environment/Sustainability manager

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public