

ETHICAL PRACTICES

GRI 2-23, 2-24

VALUES, PRINCIPLES, STANDARDS AND NORMS OF BEHAVIOUR

PhosAgro Group has a well-deserved reputation of a reliable business partner, attractive employer, responsible taxpayer, and partner to the Russian government and regions where the Company operates. The trust that our investors, employees, customers, contractors and authorities place in the Company is underpinned by the high ethical standards that we have adhered to since PhosAgro's inception.

We take an integrated approach to business ethics; in other words, we believe that ethical considerations are intrinsic to all aspects of our operations, from procurement and teamwork to safety and trade. We systematically analyse risks in this area and develop and implement measures to manage them.

To achieve the above, we need to ensure that our ethical principles and standards are clearly defined and communicated to employees and counterparties. We also need to have relevant legal, organisational and informational mechanisms in place to support and, more importantly, monitor compliance with these principles and standards, which should also be overseen at the highest corporate governance level.

By consistently implementing this approach for years, PhosAgro has been able to become a company operating to the highest global standards in human rights, industrial

safety, environmental protection, anti-corruption, etc. We recognise that it is hardly possible to fully eliminate ethical risks in a large and diverse organisation. We believe that by adhering to our ethical principles and standards we minimise unnecessary risks, maintain our business reputation and keep ourselves on track to achieve our ambitious production and financial targets for the benefit of PhosAgro's shareholders and other stakeholders.

MANAGEMENT APPROACH

PhosAgro Group does its best to eliminate violations of human rights, corrupt practices, and other instances of non-compliance with corporate ethical principles, while also enhancing and protecting its business reputation as an honest, open and bona fide company among shareholders, potential investors, partners, employees, and counterparties. Elimination of any possible occurrences bearing the signs of the above, and strengthening the commitment of PhosAgro Group's employees to the highest ethical standards are at the forefront of the Group's activities.

To ensure PhosAgro Group's observance of ethical practices and generally recognised business standards, the Company among


other things put in place an anti-fraud and anti-corruption system covering all areas of operation. On top of that, Group companies adopted a set of corporate, legal, information and educational measures to build a shared corporate culture underpinned by high ethical standards and maintain an atmosphere of trust, mutual respect and integrity among employees. All subsidiaries and affiliates of PhosAgro and Apatit approved anti-corruption standards. PhosAgro runs activities as part of an approved anti-corruption plan until 2024.

ETHICAL STANDARDS AND NORMS OF BEHAVIOUR

The principles and standards of ethical behaviour when working at and with PhosAgro are set out in relevant policies and other internal documents listed below. These are regulatory documents all the Group's managers, officers and employees must comply with. Employees who have violated them are subject to the respective sanctions, including social condemnation, public censure through publication in the media, full or partial withholding of bonuses, and – if the employee's action (omission) bears signs of a disciplinary offence – disciplinary measures also apply to such employee pursuant to the applicable labour and employment laws.

The following internal policies and procedures governing the compliance of the Company with the key principles and standards of ethical conduct are currently in effect:

SASB EM-MM-510a.1, RT-CH-530a.1

| | | |
|---|--|--|
|  <p>Code of Ethics</p> <p>The Code outlines the key principles and rules of ethical business conduct underlying the corporate culture of PhosAgro</p> |  <p>UK Modern Slavery Act Transparency Statement</p> <p>The Act outlines the Company's actions to prevent all forms of modern slavery and human trafficking within PhosAgro and its supply chain</p> |  <p>Regulations on Business Presents and Representation Expenses</p> <p>The Regulations set out the procedure for receiving presents by the Company's employees, as well as making them on behalf of the Company. The Regulations substantiate and detail the formation, structure, and documentation of representation expenses</p> |
|  <p>Corporate Governance Code</p> <p>The Code defines the main principles of and approaches to corporate governance</p> |  <p>Regulations on the Commission for Combating Fraud and Corruption and Regulating Conflicts of Interest</p> <p>The Regulations address and govern the issues pertaining to employee anti-corruption compliance</p> |  <p>Government Relations Policy</p> <p>The Policy establishes the principles, areas, purpose and objectives of PhosAgro interaction with public authorities and officials</p> |
|  <p>Code of Conduct for Counterparties</p> <p>The Company may refuse to cooperate with suppliers or business partners discriminating their own or subcontractors' employees or using forced labour</p> |  <p>Regulations on Internal Checks</p> <p>Regulations on Inspections</p> <p>The regulations govern a set of actions taken to elicit the facts and identify the circumstances, motives and conditions of misconduct, incidents, and other violations of requirements set out in the Company's internal regulations</p> |  <p>Charity Policy</p> <p>The Policy sets out the key principles and areas for providing charitable support on behalf of and through the funds of the Company</p> |
|  <p>Anti-Corruption Policy</p> <p>The Policy defines the goals and objectives and sets forth the Company's key principles and employee responsibilities in the sphere of anti-fraud and anti-corruption</p> |  <p>PhosAgro Hotline Regulations</p> <p>The Regulations set out the goals and objectives with regard to the receipt of employee reports on the matters pertaining to combating fraud, corruption and theft and identifying conflicts of interest</p> |  <p>Personnel Management Policy</p> <p>The Policy sets forth the Company's and its management's adherence to high ethical standards of transparent and fair business aimed at building the image of an employer attractive for the best professionals</p> |
|  <p>Regulations on Conflict of Interest</p> <p>The Regulations establish the procedure for identifying and resolving conflicts of interest arising with employees in the course of their employment</p> |  <p>Regulations to Ensure Compliance with Anti-Corruption Laws as Part of Legal Support Process</p> <p>The Regulations outline goals and objectives for legal support of the Company's business processes and transactions involving a high risk of corruption</p> | |

ORGANISATIONAL AND INFORMATIONAL MECHANISMS

PhosAgro Group has a well-designed set of tools in place to ensure that the Group's employees and counterparties are kept abreast of and trained in ethical business practices and that cases of potentially unethical and corrupt behaviour are effectively reported to relevant officers and units.

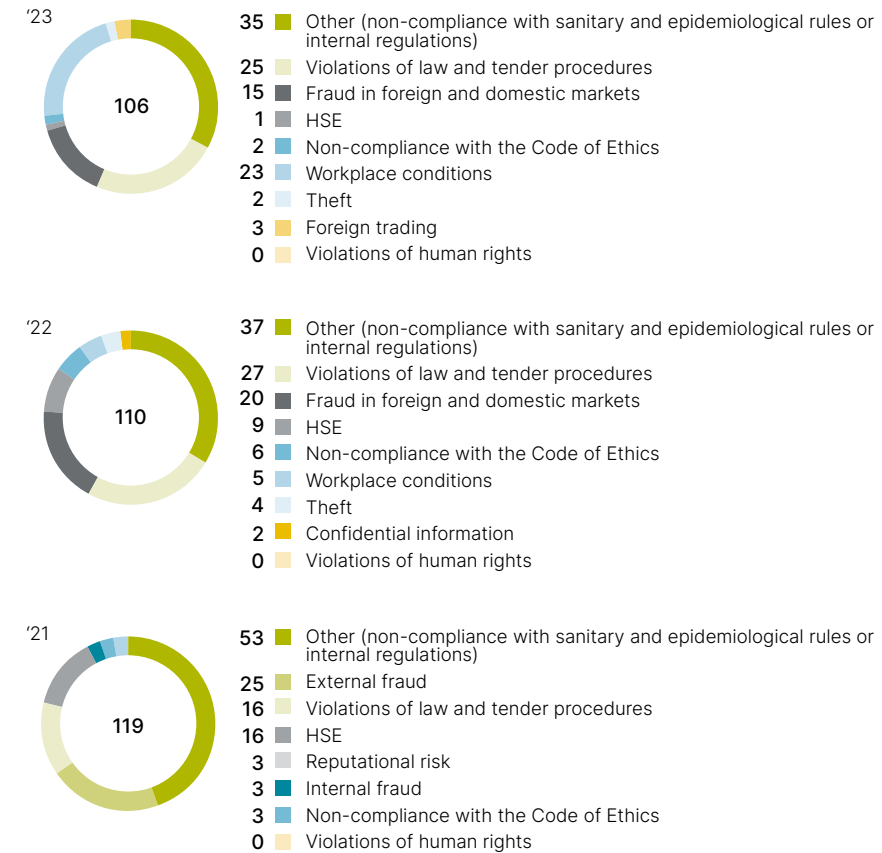


Tools to notify the relevant PhosAgro Group's executives of any instances of misconduct and corrupt practices

GRI 2-25, 2-26

| Tool | Description |
|---------------------------------------|---|
| Obligation | <p>Any Company employee, as well as any member of the Board of Directors, who has become aware of any actual or potential violation of law or PhosAgro's internal regulations is obliged to give a prompt notice of the same in writing.</p> <p>This also applies to any inducement to corruption or violations showing signs of corruption committed with respect to other employees, counterparties or other parties interacting with the Group.</p> |
| Communication | <p>The procedures for reporting and consideration of violation reports are defined in the Anti-Corruption Policy, the Code of Ethics, the Regulations on Conflict of Interest, and the Anti-Corruption Agreement, as well as in notifications/recommendations sent in accordance with Apatit's Order No. 16-U On Improving the Procedure for Informing Management of Apatit, its Subsidiaries and Affiliates dated 15 January 2020.</p> |
| Confidentiality and protection | <p>A person who has submitted a notice/report is guaranteed confidentiality of the information received, as well as such person's personal data. PhosAgro takes steps to protect the employee who has notified the employer's representative (employer) of any actual or potential violation of law and the Company's internal regulations that may pose a threat to the Group's interests.</p> |
| Advice | <p>PhosAgro's Code of Ethics formalises the right of each employee, if they have any questions relating to anti-corruption compliance or any concerns as to the rightness of their actions the actions of other employees, counterparties, or other parties interacting with the Company, to seek advice or assistance from their immediate supervisors or, if need be, the relevant business units of the Company.</p> |
| PhosAgro Hotline | <p>The Hotline is in place to improve the efficiency of measures taken to prevent fraud, corruption, theft, and conflict of interest, as well as to mitigate compliance and reputational risks resulting from the violation of professional and ethical standards by PhosAgro Group's employees. There are three ways to report to the Hotline:</p> <ul style="list-style-type: none"> • by phone at +8 8202 59 32 32; • by e-mail help@phosagro.ru; and • by regular mail at the following address: Economic Security Department, 75 Severnoye Highway, Cherepovets, Vologda Region, 162622, Russia. <p>To ensure free access to the Company's Hotline, all existing communication channels are posted on PhosAgro's website.</p> |

Reports received by PhosAgro Hotline by category



PhosAgro's Internal Audit Department reports on a quarterly basis to the Audit Committee on all reports received by the PhosAgro Hotline, actions taken, the results of audits and measures to address violations of the Group's ethical standards. The Chairman of the Audit Committee provides this information to members of PhosAgro's Board of Directors.

In 2021-2023, there were no employee reports or complaints about violations of labour practices, human rights, or discrimination.

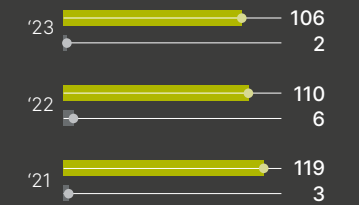


PhosAgro Hotline

To improve the timeliness and effectiveness of measures aimed at preventing ethical violations, including corruption, discrimination, human rights violations, etc., the Company created the PhosAgro Hotline portal.

Any employee or other stakeholder can use PhosAgro Hotline to report any potential violations detrimental to the Company's interests, while the Company may not disclose the identity of the whistle-blower to other employees and third parties.

Number of reports



■ Total reports received by PhosAgro hotline
■ Reports related to corruption

HUMAN RIGHTS

PhosAgro's Code of Ethics recognises labour rights as integral part of human rights. In its operations, PhosAgro respects labour rights of employees as provided by law, recognises the right of employees to decent remuneration, helps prevent any form of discrimination and forced labour, and supports employee participation in key matters pertaining to the Group's development.

The Company implements personnel development programmes that provide for employee training and personal growth and offer social benefits, incentives, and leisure and recreation opportunities.

PhosAgro is committed to respecting employees' rights as required by the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, including zero discrimination, not using child or forced labour, respecting their right to exercise freedom of association and collective bargaining, and creating a safe and favourable working environment for both its own employees and the employees of its contractors, which are also expected to comply with such requirements and regulations.



PhosAgro encourages family generations of employees and corporate traditions that help retain teams, improve labour discipline, performance, and morale.



Any decisions regarding promotion, hiring, remuneration, benefits or compensations are based solely on the employee's qualifications, performance, skills and experience assessed impartially and fairly.



The Group supports professional and personal growth of its employees. The key goal here is to create a talent pool of professionals with strong knowledge of theory and practical skills required to support the operations of PhosAgro's sites.



PhosAgro Group appreciates and encourages diversity among its employees. We provide equal opportunities for them to unlock their potential and do not tolerate any restriction of a person's or a group's natural rights and freedoms or any conduct violating privacy of our employees. Each year, the Board of Directors and the Remuneration and Human Resources Committee reviews human rights, focusing on staff diversity and equality of genders.

We expect our employees to treat their colleagues and everybody else, including customers, suppliers and other stakeholders, with due professionalism, respect and fairness.

We consider unacceptable any restriction of employee rights or freedoms, whether at workplace or in any other job-related environment.

Since 2013, we have been conducting annual employee surveys enabling each employee to give feedback on the performance of the Company and its management.

Throughout the history of such surveys, we have not received any negative feedback or reports of violations of human rights. This clearly indicates that all obligations to PhosAgro's staff are respected and met.

ANTI-CORRUPTION

GRI 3-3

We consider it unacceptable for PhosAgro Group's executives and employees at all levels to take advantage of their official position in a way that is in conflict with corporate or national interests. To prevent fraud and corruption, PhosAgro has put in place its Anti-Corruption Policy together with a system covering the entire

range of its activities, and set up a commission on fraud, corruption, and conflicts of interest. The Company seeks to identify and assess corruption risks on a regular basis to keep track of functions and positions exposed to such risks. PhosAgro's management regularly reviews reports on the progress

of anti-corruption initiatives and the performance of the anti-fraud and anti-corruption system.

In addition, we make an ongoing effort to build a culture of zero tolerance to corruption underpinned by high ethical standards, as well as maintain an atmosphere of trust, mutual respect and integrity among employees.

OPERATIONS ASSESSED FOR RISKS RELATED TO CORRUPTION



When building an effective anti-corruption policy, it is of utmost importance to understand what corruption offences employees may be inclined to commit depending on their positions, what business processes are most likely to involve the commission of such offences, what ways or schemes are available for committing them and what consequences they may lead to.

For this purpose, the Group has defined lists of corruption-prone functions and positions. PhosAgro

(order No. 39 dated 7 April 2022) and its subsidiary Apatit (order No. 486-U dated 10 December 2022) have lists of positions for which filling of job vacancies is exposed to corruption risks. The share of employees filling positions exposed to high corruption risks is 0.3136%. The activities of the officials occupying the positions included in the list are under special control of the Economic Security Department and heads of the relevant business units in terms of their compliance with high ethical standards and

requirements of internal documents on anti-corruption, including compliance with related prohibitions and restrictions and measures to prevent and resolve conflicts of interest. These standards are set out in internal regulations.

PhosAgro Group seeks to identify and assess corruption risks on a regular basis using a three-step procedure to update the list of functions and positions exposed to such risks.

| | | |
|---|--|--|
|  <p>Corruption risk identification</p> <p>Identification of corruption offences that may be committed by Group employees and detection of business processes (critical points) where such misconduct is possible.</p> |  <p>Corruption risk analysis</p> <p>Identification of ways that can be potentially used to commit a corruption offence, depending on the specifics of the Group's business processes (corruption schemes), persons who may be involved in corruption, and business processes' vulnerabilities.</p> |  <p>Assessment of materiality of corruption risks</p> <p>Assessment of the probability of a corruption offence at a specific stage of a business process and the potential damage to PhosAgro Group in case an employee (employees) commits (commit) a corruption offence.</p> |
|---|--|--|

PhosAgro's Board of Directors receives regular reports on the progress of anti-corruption initiatives and the performance of the anti-fraud and anti-corruption system in accordance with PhosAgro's

Risk Management and Internal Control Policy. In addition, the process of identifying risks and preventing wrongdoings is monitored by line managers on the basis of, among other things, the Risk Management

Regulations. The corruption risk is assessed by an independent unit – the Risk Management Methodology Department. For 2023, the corruption risk was assessed as minimal.

To train and inform employees, PhosAgro Group annually develops anti-corruption courses with final tests, which are posted on the corporate intranet portal.

The themes of the courses depend on the responsibilities of business units (employees) and the established system of anti-corruption standards.

INFORMING, ADVISING, AND TRAINING EMPLOYEES

GRI 205-2

PhosAgro Group offers ongoing training programmes to educate employees on anti-corruption in order to minimise the risk of their involvement in corrupt practices.

To this end, the Group has put in place a robust training system to prevent any and all corrupt practices, mitigate possible harm, and eliminate the consequences thereof.



Target audience

Managers of levels N-1, N-2, N-3, N-4, N-5, as well as managers without assigned levels (as stipulated by the organisational and staff structure of the Group), white-collar workers, including employees of branches and standalone business units

Goals and objectives

- Provide employees with updated information on laws and regulations on detecting and combating corruption in business entities
- Help students develop an anti-corruption attitude, learn about methods of combating corruption and conflicts of interests and master relevant skills
- Help students acquire knowledge of the causes and preconditions for corruption and practices of identifying and counteracting such cases

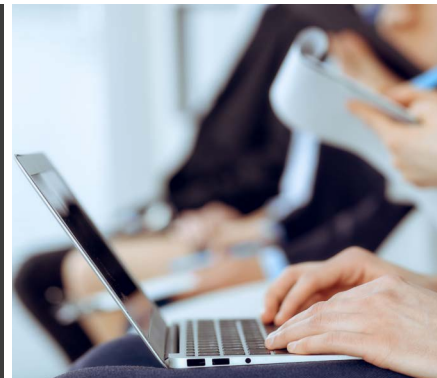
Training results

- Upon completion of the anti-corruption training, an employee shall have an understanding of:
- theory of counteracting corruption in the Group;
 - factors, causes, essence and consequences of corruption;
 - Russian anti-corruption laws and regulations;
 - internal regulations and anti-corruption standards approved by the Group;
 - responsibility for failure to comply with anti-corruption practices.

TRAINING METHODOLOGY

Benefits of online training

Educational materials (presentations, tests) accurately reflect the potential issues of corruption at PhosAgro Group companies. The training process does not disrupt core business activities



COMPLETED TRAINING PROGRAMMES

| Training period | Completed programmes |
|-----------------|---|
| 2021 | <ul style="list-style-type: none"> • Principles of the PhosAgro Hot Line • PhosAgro Group Anti-Corruption Policy • The test results were used to monitor the training process and served as a basis for issuing an order on additional training for underperforming students |
| 2022 | <ul style="list-style-type: none"> • Main Goals and Principles of the PhosAgro Group Code of Ethics |
| 2023 | <ul style="list-style-type: none"> • On Training and Testing of Employees of Apatit, its Branches and Companies Managed by Apatit, in Preventing and Resolving Conflict of Interest |

To implement anti-corruption measures, PhosAgro's Economic Security Department drafts an annual training plan, according to which employees are informed from time to time about existing internal regulations on anti-corruption, anti-corruption standards, responsibility for failure to comply with them, as well as amendments and additions to them. The Company's management serves as the key communication channel to emphasise the importance of compliance with the established anti-corruption measures. PhosAgro Group's employees and counterparties have free and easy access to information about the Company's anti-corruption practices. PhosAgro's official website features a special section on anti-corruption, which contains CEO's message about

the need to strictly comply with established anti-corruption standards, as well as copies of internal documents aimed at preventing corruption (the Anti-Corruption Policy, Code of Ethics, Regulations on Conflict of Interest and on PhosAgro Hot Line). Internal documents are supplemented by methodological materials (handouts, presentations), which explain in easy terms the anti-corruption policy, standards of conduct, responsibility, and provide examples of corruption-prone situations that employees may encounter in the course of their employment.

Every new employee receives training on the basic requirements of the Anti-Fraud and Anti-Corruption Policy, the Code of Ethics, Regulations on Conflict of Interest and

on PhosAgro Hot Line by watching a respective video and putting their signature in briefing log to confirm the above. Employees' job descriptions stipulate their obligation to comply with anti-corruption standards and PhosAgro Group's internal regulations, as well as to receive respective training. When employees perform functions involving a high risk of corruption, those responsible for the implementation of the Anti-Corruption Policy additionally explain to them the Russian laws and the Group's internal policies on anti-corruption. Employees and counterparties can inquire about the Company's anti-corruption standards through PhosAgro's hotline portal, where they can obtain professional legal assistance and expert clarification.

Total number and share of members of the governance body, employees and business partners familiarised with the Company's Anti-Corruption Policy and procedures, by region

| Region | Total number of members of the governance body | | | Share of members of the governance body, % | | | Total number of employees | | | Share of employees, % | | | Total number of business partners | | | Share of business partners, % | | |
|------------------|--|--------------|--------------|--|-----------|-----------|---------------------------|--------------|--------------|-----------------------|-----------|-----------|-----------------------------------|--------------|--------------|-------------------------------|------------|------------|
| | '21 | '22 | '23 | '21 | '22 | '23 | '21 | '22 | '23 | '21 | '22 | '23 | '21 | '22 | '23 | '21 | '22 | '23 |
| Saratov region | 177 | 283 | 307 | 28 | 33 | 98 | 609 | 852 | 961 | 59 | 67 | 99 | 89 | 104 | 98 | 100 | 100 | 100 |
| Murmansk region | 427 | 888 | 861 | 31 | 34 | 79 | 2,564 | 2,621 | 2,671 | 61 | 66 | 86 | 95 | 71 | 85 | 100 | 100 | 100 |
| Moscow region | 74 | 87 | 91 | 32 | 39 | 71 | 82 | 225 | 215 | 45 | 61 | 78 | 903 | 898 | 852 | 100 | 100 | 100 |
| Leningrad region | 172 | 266 | 260 | 31 | 35 | 84 | 502 | 770 | 751 | 58 | 65 | 90 | 504 | 487 | 410 | 100 | 100 | 100 |
| Vologda region | 478 | 943 | 946 | 32 | 28 | 96 | 2,767 | 33,346 | 3,415 | 81 | 72 | 97 | 181 | 167 | 170 | 100 | 100 | 100 |
| Other | | 132 | | | 32 | | | 408 | | | 68 | | 1,208 | 1,401 | 1,386 | 100 | 100 | 100 |
| Total | 1,328 | 2,599 | 2,465 | 30 | 32 | 88 | 6,524 | 8,222 | 8,013 | 62 | 68 | 92 | 2,980 | 3,128 | 3,001 | 100 | 100 | 100 |

Total number and share of members of the governance body and employees trained in anti-corruption measures, by region

| Region | Total number of members of the governance body | | | Share of members of the governance body, % | | | Total number of employees | | | Share of employees, % | | |
|------------------|--|--------------|--------------|--|-----------|-----------|---------------------------|--------------|--------------|-----------------------|-----------|-----------|
| | '21 | '22 | '23 | '21 | '22 | '23 | '21 | '22 | '23 | '21 | '22 | '23 |
| Saratov region | 177 | 234 | 307 | 80 | 83 | 98 | 609 | 747 | 961 | 87 | 88 | 99 |
| Murmansk region | 335 | 718 | 861 | 80 | 81 | 79 | 2,564 | 2,275 | 2,671 | 82 | 87 | 86 |
| Moscow region | 74 | 68 | 91 | 80 | 78 | 71 | 82 | 181 | 215 | 80 | 80 | 78 |
| Leningrad region | 110 | 209 | 260 | 80 | 79 | 84 | 502 | 636 | 751 | 81 | 83 | 90 |
| Vologda region | 447 | 910 | 946 | 89 | 97 | 96 | 2,767 | 3,206 | 3,415 | 90 | 96 | 97 |
| Other | | 102 | | | 77 | | | | | | 82 | |
| Total | 1,328 | 2,241 | 2,465 | 87 | 86 | 88 | 6,524 | 7,380 | 8,013 | 89 | 90 | 92 |



PHOSAGRO GROUP'S PARTICIPATION IN COLLECTIVE EFFORTS TO COMBAT CORRUPTION

The Company's Anti-Corruption Policy is implemented in accordance with applicable anti-corruption laws and international conventions (including the UN Convention against Corruption and Russian anti-corruption laws). To prevent and combat corruption, PhosAgro Group cooperates with business communities and participates in public associations, which is seen as a guarantee of compliance with Article 13.3 of Federal Law No. 273-FZ On Combating Corruption dated 25 December 2008:

- the Anti-Corruption Charter of the Russian Business adopted by the RSPP. As part of self-assessment of special anti-corruption programmes and practices implemented by the Company and covering not only internal activities but also relations with business partners and the state, procurement through public auctions, financial control, staff training and development, PhosAgro (certificate No. RP-15) and Apatit (certificate No. RP-02) have been included in the Register of Parties to the Anti-Corruption Charter of the Russian Business;

- the Social Charter of the Russian Business adopted by the RSPP. Having joined the Social Charter of the Russian Business, PhosAgro formalised the responsible approach it takes to ESG and its commitment to best practices in corporate social responsibility;
- the Anti-Fraud Working Group of the Russian Association of Fertilizer Producers (RAFP), which has developed initiatives to combat wrongdoings committed by unidentified persons using brands of major mineral fertilizer producers;
- the Chamber of Commerce and Industry of Russia (CCI). The CCI membership implies engaging in a dialogue between the business community and the government to forge the social, economic, and industrial policy, remove administrative hurdles, improve the business and investment climate, and promote entrepreneurship. PhosAgro is set to participate in annual "anti-corruption dictation" as part of the nationwide interactive campaign held in furtherance of the National Anti-Corruption Plan for 2021-2024;
- The Russian Union of Industrialists and Entrepreneurs, which enables engagement with

political and administrative bodies in the Company's regions of operation, focusing on developing and executing regional economic strategies. As a member of the RSPP, PhosAgro participates in the annual Anti-Corruption Rating assessing compliance with best business conduct practices both in Russia and globally. PhosAgro and Apatit received A, the highest score, in the 2023 ranking.

To counteract corruption, we cooperate successfully with state and local government authorities and non-governmental organisations based on the principles of partnership, mutual respect, trust and professionalism. We have entered into a number of long-term agreements on preventing and detecting crime, as well as helping to build security infrastructure through the creation of police stations at PhosAgro Group's production sites. Joint activities are widely covered in the corporate media.

ACQUAINTING BUSINESS PARTNERS WITH PHOSAGRO GROUP'S ANTI-CORRUPTION STANDARDS AND PROCEDURES

SASB EM-MM-510a.1

PhosAgro recognises that corruption risks can arise not only within but also outside the Company, primarily when interacting with counterparties, including business partners, suppliers, contractors, etc.

PhosAgro Group has approved a procedure for incorporating an anti-corruption clause and a clause of good faith in every contract signed by the parties; these clauses contain clear and detailed rules and procedures aimed at preventing corruption, including special management procedures, requirements for counterparties, rules of special anti-corruption control and

audit, measures to prevent conflicts of interest and commercial bribery, and compensation for material damage.

The Group is committed to establishing and maintaining business relationships with companies that operate in line with high ethical standards and combat corruption.

We have improved the registration process at the electronic bidding platform (PhosAgro's official website – Procurement – Tenders – Supplier Registration Form). Every potential supplier of goods or services wishing to establish a business relationship with PhosAgro Group is required to examine the relevant internal regulations, including the Company's Anti-Corruption Policy, Code of Ethics, and Regulations on PhosAgro's Hotline. Access for further registration on the electronic bidding

INCIDENTS OF CORRUPTION IDENTIFIED AND ACTIONS TAKEN

In 2023, 36 internal investigations were launched to identify failures in complying with internal regulations. Three of the completed investigations were related to corruption and fraud and had to do with:

- attempt by a contractor's executive to illegally transfer RUB 300,000 to the head of section of the Procurement Department at Apatit in order to continue contractual relationship;
- attempt of illegal receipt of RUB 1,669,000 by the head of section of the Procurement

Department at Apatit in exchange for exercising their official powers for the benefit of a contractor;

- attempt of illegal receipt of over RUB 3 mln by the head of sector of the OHS Department at Apatit in exchange for exercising their official powers.

Following internal investigations, the Company dismissed one employee.

platform, a prerequisite for business collaboration, is only granted after that.

As a result, 100% of counterparties wishing to engage in business with the Company complete anti-corruption training at the electronic bidding platform.

Total number of business partners registered at the electronic bidding platform and acquainted with anti-corruption standards



Share of business partners in this category, %



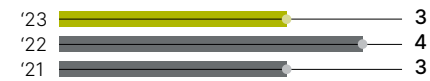
GRI 205-1

Internal investigations into reported corrupt behaviour

Number of internal investigations into various failures to comply with internal regulations



Including corruption-related violations



Confirmed incidents of corruption and actions taken

GRI 205-3

| Corruption cases | 2021 | 2022 | 2023 |
|--|----------------|------|------|
| Total number of confirmed incidents of corruption | 2 | 4 | 5 |
| Total number of confirmed incidents in which employees were dismissed or disciplined for corruption | 2 | 3 | 1 |
| Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption | 1 ¹ | 2 | 1 |
| Public legal cases ² regarding corruption brought against the organisation or its employees | 1 | 2 | 3 |

In 2023, five corruption-related criminal cases were initiated:

1. on 20 April 2023, a criminal case was opened under Article 204, Part 3 of the Russian Criminal Code ("commercial bribery") against the head of a section of the Procurement Department at Apatit who illegally received RUB 100,000 from a counterparty's executive;
2. on 20 April 2023, a criminal case was opened under Article 204, Part 3 of the Russian Criminal Code ("commercial bribery") against the head of a section of the Procurement Department at Apatit who received RUB 200,000 from a counterparty's executive;
3. on 15 May 2023, a criminal case was opened under Article 204, Part 8 of the Russian Criminal Code ("commercial bribery") against the head of a section of the Procurement Department at Apatit who received RUB 1,669,000 from a counterparty;
4. on 24 March 2023, two criminal cases were opened under Article 204.1, Parts 2 and 1 of the Russian Criminal Code ("commercial bribery") for intermediation in money transfers to the deputy head of the ecology and environmental management at Apatit's Volkhov branch.



PhosAgro Group's commitment to the anti-corruption standards is evidenced by the fact that it cooperates with law enforcement authorities:

1 PhosAgro made a public commitment to report to the relevant law enforcement authorities any cases of corruption (signs of corruption) the Group (its employees) may become aware of

2 PhosAgro will not impose any sanctions on employees who reported to law enforcement authorities any actual or potential corruption incidents that they became aware of in the course of their employment

¹ The Company updated the 2021 data: in 2021, the Company disqualified one business partner who wanted to participate in bidding procedures worth over RUB 400 mln on the grounds that it was not considered trustworthy because of its failure to comply with anti-corruption standards.
² All corruption-related cases are included in the official statistics of law enforcement agencies.

CONFLICTS OF INTEREST

GRI 2-15

PhosAgro's Code of Ethics and Regulations on Conflict of Interest require employees to report any potential or actual conflicts of interest to their line manager or an anti-corruption officer.

PhosAgro places a strong emphasis on timely prevention, identification and resolution of potential conflicts of interest. The Company puts in place verification procedures to be carried out when personnel decisions are made and responsibilities are distributed and requires all candidates to report personal interest, if any, at the time

they are offered employment with the Company and regularly from then onwards.

The Company regularly conducts anti-corruption review of its internal regulations, including orders, directives, contracts, standards, etc. to detect and remedy factors that may lead to anti-corruption law breaches or pose risks to its interests.

Following CEO Order No. 621-U dated 8 December 2023, the Risk Management and Internal Control Department, an independent body, performs annual internal control

exercises to ensure adherence to corruption prevention procedures and frameworks. The assessment of Apatit's anti-corruption efforts confirmed alignment with the Anti-Corruption Charter of the Russian Business.

The Company did not identify any conflicts of interest related to membership in the Board of Directors; joint ownership with suppliers and other stakeholders; controlling shareholders; related parties and their relations, transactions and outstanding balances.



As part of the efforts to develop a framework for preventing, identifying and resolving conflicts of interest, three designated collegial advisory bodies were established:

- **Commission on Conflict of Interest between Employees of PhosAgro chaired by the CEO**
- **Commission on Fraud, Corruption and Conflicts of Interest at Apatit (to streamline anti-corruption efforts across the Company's production units)**
- **Commission on Fraud, Corruption and Conflicts of Interest at PhosAgro-Region (to act for the downstream business)**



In 2023, out of ten potential conflict of interest scenarios identified and examined, six were scrutinised by Apatit's Commission on Fraud, Corruption and Conflicts of Interest, which offered resolution recommendations. A notice requiring preventive action was issued to the relevant business unit's management team. In five of the reviewed cases, conflict of interest proved to be unsubstantiated.

Identification, prevention and settlement of conflicts of interest in the actions of PhosAgro Group's employees

| Conflict of interest cases | 2021 | 2022 | 2023 |
|---|------|------|------|
| Total number of conflict of interest cases pertaining to joint ownership with suppliers and other stakeholders | 1 | 0 | 0 |
| Total number of conflict of interest cases pertaining to controlling shareholders | 0 | 0 | 0 |
| Total number of conflict of interest cases pertaining to related parties and their relations, transactions and outstanding balances | 0 | 0 | 0 |
| Total number of conflict of interest cases pertaining to membership in the Board of Directors | 0 | 0 | 0 |
| Total number of potential conflict of interest cases | 10 | 15 | 10 |
| Number of conflict of interest cases considered at the meeting of the Commission on Fraud, Corruption and Conflicts of Interest | 5 | 9 | 6 |

LEGAL ACTIONS FOR ANTI-COMPETITIVE BEHAVIOR, ANTI-TRUST, AND MONOPOLY PRACTICES

GRI 3-3, 206-1

The Company has approved trade policies for the sale of phosphate rock (Apatit's Marketing Policy for Domestic Sales of Phosphate Rock) and for the sale of certain fertilizer grades to agricultural

producers. There are no pending lawsuits filed on charges of breach of applicable antitrust laws, or any similar lawsuits settled in 2021–2023 to which the Company could be identified as a party.



The respective documents are available in the Our Products section of the Company's official website