

# About this report

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It is our pleasure to welcome you to the 2022 Integrated Annual Report (the "Report") of PJSC PhosAgro (PhosAgro). PhosAgro is a vertically integrated Russian company and one of the world's leading producers of phosphate-based fertilizers.

The Company maintains an annual reporting cycle, with the previous report released on 29 April 2022. The Report highlights how we integrate ESG principles into everything we do. The Company's financial reporting follows the annual cycle too.

The report was approved by PhosAgro's Board of Directors on 20 April 2023 (Minutes dated 20 April 2023).



**2022 has already made history, but the challenges it set for PhosAgro Group and the entire mineral fertilizer industry are still vitally relevant.** In response to them, we strive to increase production and ensure uninterrupted supplies of high-grade and eco-efficient fertilizers, which we make in the most efficient ways possible, both economically and environmentally, by consistently reducing the share of non-renewable resources along with our carbon footprint. The principles of environmental and social responsibility remain our key priority.

It is impossible to succeed alone in preventing the global threat of hunger and ensuring global food security. That is why we are doing our utmost to maintain and develop partnerships with Russian and international organisations as part of the global sustainability agenda. Together we can achieve much more for sustainable soil fertility.

In this Report, we did our best to share how we contribute to consistent and steady progress towards these goals across various areas of our activities.

## Boundaries and standards GRI 2-5

This Report complies with the following requirements and recommendations:

- the Bank of Russia's Regulation No. 714-P dated 27 March 2020 on Disclosure of Information by the Issuers of Issue-Grade Securities;
- the Bank of Russia's Letter No. 06-52/2463 On Corporate Governance Code dated 10 October 2014;
- the Bank of Russia's Letter On the Disclosure in the Annual Report of a Public Joint-Stock Company of a Report on Compliance with the Principles and Recommendations of the Code of Corporate Governance No. IN-06-28/102 dated 27 December 2021;
- the UK Corporate Governance Code;
- the Bank of Russia's Information Letter on Recommendations on Disclosure by Joint-Stock Companies of Non-Financial Information Pertaining to Their Activities No. IN-06-28/49 dated 12 July 2021;
- the Listing Rules of the Moscow Exchange and the London Stock Exchange;
- the AA 1000 and ISO 26000 standards;
- CDP – Carbon Disclosure Project standards;
- The Value Reporting Foundation;
- the Task Force on Climate-related Financial Disclosures, TCFD;
- Reference Performance Indicators of the Russian Union of Industrialists and Entrepreneurs (RSPP), and the MOEX-RSPP Responsibility and Transparency, and Sustainability Vector indices.
- UNCTAD's Guidance on Core Indicators for Entity Reporting on Contribution Towards Implementation of the

Sustainable Development Goals, and the Business Reporting on the SDGs action platform;

- The Social Charter of the Russian Business sponsored by the Russian Union of Industrialists and Entrepreneurs.

The Company takes into account and implements global and national best practices in sustainable development.

The Company has reported in accordance with the GRI and SASB. Appropriateness of the selected qualitative and quantitative information disclosures prepared under the related GRI Standards has been assured by Joint-Stock Company Technologies of Trust – Audit (Technologies of Trust – Audit JSC) in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. The Auditor's Report and the GRI Content Index are both available in the appendices to this Report.

Financial results in the Report have been disclosed based on the IFRS consolidated financial statements of the Group for 2022 audited by Technologies of Trust – Audit JSC in accordance with the International Standards on Auditing.

This Report provides insight into the performance of parent company PhosAgro and its subsidiaries (hereinafter jointly referred to as "PhosAgro Group", the "Group", or the "Company") across their operations, while also offering information on corporate governance and corporate

responsibility. The key subsidiaries of the Group and PhosAgro's stake in these subsidiaries are presented in the Group's IFRS consolidated financial statements for 2022.

Among other changes, economic environment developments led to changes in the Group structure, as described in note 29 to the consolidated financial statements, and affected a number of elements of the consolidated financial statements.

For more information, see page 375

The boundaries of the Group companies covered in this Report differ from those in consolidated financial statements when it comes to specific non-financial disclosures. To ensure compliance with the materiality principle, we determined such boundaries in a way that this Report describes all material aspects of PhosAgro Group.

The data disclosed in this Report includes information on:

**Boundary 1** – PhosAgro and companies that are part of the group to which PhosAgro belongs (the scope of disclosure in IFRS consolidated financial statements).

**Boundary 2** – Apatit, including its branches and standalone business units.

For more information on specific disclosures and their boundaries used in this Report, see the GRI Indicator section on page 380

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