

## Navigator on UN SDGs

17 UN SDGs are the most important benchmark in our making both strategic and day-to-day management decisions. Committed to the Company's mission and values, which are underpinned by our Strategy to 2025, we look to contribute to, and monitor the progress against, the targets of our eleven priority UN SDGs.

**4 QUALITY EDUCATION**

**Target 4.4**

**Our key programmes:**

- Developing PhosAgro School and DROZD projects;
- Cooperation with universities and Russian and international R&D centres;
- Promoting retraining and professional development.

For more information, see pages 112, 142, 168, 234

**6 CLEAN WATER AND SANITATION**

**Targets 6.1 and 6.3**

**Our key programmes:**

- Water Strategy;
- Participation in international initiatives (the CEO Water Mandate and Water Resilience Coalition);
- Water Use Optimisation Programme at the Cherepovets site of Apatit.

For more information, see page 190

**8 DECENT WORK AND ECONOMIC GROWTH**

**Targets 8.3, 8.5 and 8.8**

**Our key programmes:**

- Comprehensive production development programme;
- Incentives and rewards system;
- Green procurement programme and ESG assessment of suppliers;
- Our Favourite Cities programme;
- Safety culture improvement programme.

For more information, see pages 65, 130, 142, 168, 234

**2 ZERO HUNGER**

**Target 2.4**

**Our key programmes:**

- Product development programme to 2030;
- Improvement of the product mix;
- Programme to develop digital services for farmers.

For more information, see pages 56, 100, 112

**3 GOOD HEALTH AND WELL-BEING**

**Targets 3.4 and 3.9**

**Our key programmes:**

- Safety culture improvement programme;
- Social benefits and employee guarantees;
- Minimising pollutant emissions per unit of output.

For more information, see pages 56, 142, 168, 190, 234

**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**

**Target 9.1**

**Our key programmes:**

- Logistics infrastructure development programme;
- Our Favourite Cities programme;
- Process Mining development.

For more information, see pages 63, 130, 234

**11 SUSTAINABLE CITIES AND COMMUNITIES**

**Target 11.3**

**Our key programmes:**

- Our Favourite Cities programme;
- Promoting entrepreneurship.

For more information, see page 234

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**

**Target 12.4**

**Our key programmes:**

- Programme to promote circular economy elements, including the use of phosphogypsum in farming and other industries;
- Reduction of natural gas consumption in production processes;
- As part of its Water Strategy, the Company is running initiatives to boost water use efficiency and reduce water consumption and waste water discharge;
- Green procurement programme and ESG assessment of suppliers;
- Construction of a heat and power plant at the Volkhov site.

For more information, see pages 57, 63, 65, 112, 130, 190

**13 CLIMATE ACTION**

**Targets 13.1 and 13.2**

**Our key programmes:**

- Energy Efficiency Programme;
- Ongoing carbon farm project in the Vologda region;
- Use of green electricity to make agrochemical products;
- Construction of a heat and power plant at the Volkhov site;
- Green procurement programme and ESG assessment of suppliers;
- Application improvement.

For more information, see pages 56, 57, 112, 130, 190

**15 LIFE ON LAND**

**Target 15.1**

**Our key programmes:**

- Comprehensive programmes to assess and preserve biodiversity at the Cherepovets site and the Volkhov and Kirovsk branches of Apatit;
- Partnership with UN FAO in advancing sustainable farming;
- Carbon farm project in the Vologda Region run jointly with the Russian Academy of Sciences to arrange, among other things, for the regional monitoring of GHG emissions.

For more information, see pages 57, 112, 190

**17 PARTNERSHIPS FOR THE GOALS**

**Targets 17.16 and 17.17**

**Our key programmes:**

- Cooperation with universities and Russian and international R&D centres;
- Collaboration with UN organisations (FAO, UNESCO, IUPAC);
- Driving growth of sales markets;
- Joining efforts with the governments and municipal authorities in the Russian regions in which the Company operates.

For more information, see pages 100, 112, 234



The Company is among the most highly-engaged participants of the world's largest corporate sustainability initiative. The UN first named PhosAgro a Global Compact LEAD company in 2019.



Making a positive impact



Minimising the negative impact



For more information on SDGs, see the Commitment to UN Goals section of the Company's website



COMPANY PROFILE

Strategic report

Performance review

Corporate governance

Share capital

Appendices

## Business model

PhosAgro Group's business model is based on the simple idea that we must better than our competitors understand the ever-changing customer needs and respond to them quicker using a wide product range, large distribution network and robust logistics.

This requires flexible high-tech production facilities, high self-sufficiency in quality raw materials, deep vertical integration and, most importantly, continuous feedback from end customers and analysis of our product performance. All this helps PhosAgro Group maintain a low cost position in the industry, while also ensuring top quality and unique eco-efficiency of its fertilizers.

We leverage our competitive advantages and seek to meet the highest operational standards throughout our product lifecycle.

For more information on the Company's Strategy to 2025 see the Strategic Report section on page 51

## WE use

- Market and technology insights
- Management, production and sales competencies
- Energy and water
- Mineral resources and materials
- Partner, supplier and customer relationships
- Public and private infrastructure
- Finances

## PhosAgro Group's competitive advantages

### PROCESS AND PRODUCT DEVELOPMENT



Target 2.4

We operate **the industry's largest research centre** at Samoilov Scientific Research Institute for Fertilizers and Insectofungicides, Russia's oldest of its kind.

#### Wide product range

**57** fertilizer grades of all types

#### Ultra-modern product offering

**8%** share of grades developed in the last five years in total sales of our chemical products

For more information, see page 100, 112

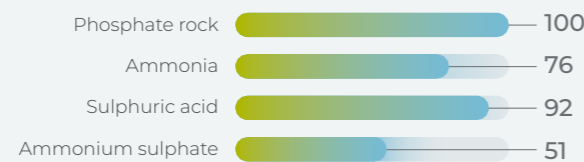
### MINERAL RESOURCES



Target 12.4

Apatite-nepheline ore of magmatic origin, which is unique in terms of quality and safety and does not have as much cadmium or other heavy metal content as would be dangerous for health, with a **reserves-to-production ratio (RPR)** of 60 years (including off-balance reserves)

#### High vertical integration, % of self-sufficiency



For more information, see page 92, 100

### PRODUCTION



Targets:  
3.9 12.4  
6.3 15.1  
8.3

**Large-scale upgrade** and construction programmes in Cherepovets, Volkhov and Balakovo

**Strong commitment to reducing** emission intensity and waste water discharges, and improving energy efficiency

#### 2022 production, % growth vs 2021



For more information, see page 92, 190



### APPLICATION



Targets:  
13.1 13.2 17.16 17.17

**Service model for customers:** our product is a combination of a fertilizer and our agronomic expertise, all available in a digital environment.

**PhosAgro's agronomic service:** training, agronomic advice and support for customers:

Results of **48** agronomic trials published at [www.phosagro.ru](http://www.phosagro.ru)

**42** dedicated exhibition events

For more information, see page 57, 100

**Digitalisation of sales and customer services:**

**47,000+** regular users of PhosAgro's digital ecosystem

**36,000** mobile app downloads

**1.884** up 29% year-on-year online fertilizer purchase orders via AgroResult online platform and mobile application

### SALES



Targets:  
2.4 12.4

**Largest sales network in Russia**

**33** distribution centres in Russian regions

For more information, see page 18, 92

**Growth in fertilizer volumes to a record**

**11** mt up 6.8% year-on-year

### LOGISTICS



Target 9.1

**High railway throughput capacity** at production sites:

**25.85** mt

For more information, see page 18, 62

**Reliable delivery:** a large Company's own fleet of railcars and port terminals on key export routes

## WE secure

- Sustainable soil fertility
- Basis for making safe food products
- New research and technological innovations
- Well-paid jobs and social benefits
- Educational initiatives and upskilling opportunities
- Large-scale purchases of local products and services
- Consistent tax payments and local community development
- Contribution to international programmes addressing global challenges
- Sustainably high returns on investment

## COMPANY PROFILE

