

APPROVED
By Resolution of the Board of Directors
of PJSC PhosAgro dd. 20.12.2022
(minutes of the meeting of the board
of directors dd. 20.12.2022, unnumb.)

Transparency statement regarding UK Modern Slavery Act *(restated)*

This statement is made on behalf of PhosAgro PJSC (“PhosAgro”, the “Company”, “PhosAgro Group”) under section 54 of the UK Modern Slavery Act 2015. This statement outlines the Company's actions to prevent modern forms of slavery and human trafficking in the Company and its supply chain. This statement outlines the measures taken by PhosAgro during the fiscal year ending December 31, 2022.

Structure, operations and supply chain

PhosAgro is a vertically integrated mineral fertilizer company based in Russia. PhosAgro is one of the world's most efficient producers of phosphate fertilizers and one of the few companies producing high grade phosphate rock with P₂O₅ content of 39% or higher and a minimum content of cadmium and other heavy metals.

As a vertically integrated company, PhosAgro includes apatite-nepheline extraction and processing plants, facilities producing mineral fertilizers, supply and logistics assets, as well as its own research subdivision. PJSC PhosAgro is a holding company. PhosAgro Group includes JSC Apatit in Cherepovets (Vologda Region), its branches in Kirovsk (Murmansk Region), Balakovo (Saratov Region) and Volkhov (Leningrad Region), LLC PhosAgro Region and JSC Y. Samoilov Research Institute of Fertilizers and Insectofungicides. Extraction and beneficiation of apatite-nepheline ore is carried out at Kirovsk branch of JSC Apatit. Mineral fertilizers are produced at facilities in Volkhov, Cherepovets and Balakovo.

Production processes at PhosAgro are supported through procurement of materials, equipment, energy, as well as transport and other services. The company uses SCM (Supply Chain Management) solutions to monitor the execution of procurement procedures.

More on the Company's structure and activities: Integrated Report for 2021 at <https://www.phosagro.ru/sustainability/>



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Polices

Interaction of the Company with various stakeholders, including employees, shareholders, government officials, non-governmental organizations, customers, suppliers and other business partners is governed by the Code of Ethics (the “Code”). In accordance with the provisions of the Code, relations between the Company and stakeholders should be based on the principles of fairness and compliance with all accepted norms. The company recognizes labor rights of its employees as an integral part of human rights. In its activities, the Company complies with the labor rights of employees established by law and recognizes the employee's right to decent remuneration for work results. The Code of Ethics contains a statement that the Company and its subsidiaries prevent any form of discrimination and forced labor, as well as the use of child labor. A reference to the Code of Ethics is included in agreements concluded with counterparties.

PhosAgro is constantly working to raise human rights awareness among employees, encouraging them to report any violations of rights and freedoms without fear of discrimination. For these purposes, the Company has adopted a Regulation on the organization of PhosAgro's unified hotline (hereinafter referred to as the “Hotline”), designed to receive information about potential violations, including human rights violations, violations of the Code of Ethics, forced labor and discrimination in the workplace, as well as the use of child labor in the Company, subsidiaries and controlled companies. Anyone can contact the Hotline, including shareholders, counterparties, partners, members of management bodies, Company employees, and employees of contractors.

The Company has a Personnel Management Policy, which is based on a system of corporate values, including human rights issues. In accordance with the Human Resources Policy, PhosAgro follows the four fundamental principles of the International Labour Organization Declaration. The Company does not tolerate discrimination and behavior that violates the privacy of employees in any form, and does not allow discrimination based on gender, skin color, religion, sexual orientation and disability. The Company's goal is to maintain a working environment free from restrictions on national, gender, age, religious and other grounds protected by applicable legislation. PhosAgro ensures that all employees are employed on a voluntary basis. The use of forced and child labor is prohibited at all of the Company's facilities.

Due diligence procedures and risk management

PhosAgro is constantly working to identify, assess and monitor any potential risk areas related to the Company's operations and supply chain. In 2022, during the annual risk assessment across the entire PhosAgro Group, an analysis of risks related to human rights violations in the Company's activities and in the supply chain was performed. During the process, each of the Company's subsidiaries conducted an assessment aimed at identifying possible risks related to slavery, forced labor and human trafficking, as well as other risks associated with violations of fundamental human rights and freedoms in their own activities and the activities of suppliers. The risk assessment process also included an analysis of messages sent to the Hotline. The risk

assessment also used information related to human rights and labor law issues obtained by the internal audit service during annual inspections of the Group's facilities. Based on the results of the assessment, none of the PhosAgro Group companies had any such risks at significant levels.

The company applies strict recruitment procedures, follows the principles of the Human Resources Management Policy and applies other employment controls to reduce the risk of forced labor and human trafficking in its activities.

The company aims at building long-term cooperation with suppliers and works only with organizations that fully comply with federal, regional and local regulatory requirements. The company has amended its procurement procedures and is assessing suppliers for compliance with the requirements of Russian laws in the area of human rights, including requirements related to issues of modern slavery. PhosAgro opposes all forms of slavery and human trafficking and strives for suppliers to share the Company's values and respect human rights.

The Code of Ethics contains a statement by the Company on possible to refuse to cooperate with counterparties and business partners that allow discrimination and forced labor against its employees and employees of their contractors.

In 2020, the Company developed the Counterparty Code of Conduct, which addresses a variety of issues covering a wide range of social, environmental and corporate requirements, including those aimed at ensuring transparency regarding the management of such issues, for example, forced labor, child labor, human trafficking, slavery, violations of human rights and freedoms, wage requirements and working hours. The Counterparty Code of Conduct is a document that is included in the list of documents subject to mandatory signing by the Counterparty in the event of establishing business relations between the Company and the counterparty. Counterparties, agreeing to the provisions of the Code, undertake to comply with the requirements established by that Code and comply with applicable laws and regulations in the country or countries where they operate.

Also in 2020, the company developed a comprehensive ESG supplier assessment, which is mandatory for all suppliers to complete when registering on the PhosAgro electronic trading platform. The set of questions includes a section on social aspects, including questions about forced labor, child labor, wage requirements and working hours. In 2021, ESG supplier assessment was fully automated, which makes it possible to include all the Company's suppliers within the evaluation perimeter.

To promote openness, transparency and equal opportunities, the Company has prioritized 11 goals out of 17 UN SDGs. As part of these goals, the Company continued to develop a range of social programs aimed at improving the quality of life of residents in the regions of its presence, increasing transparency and respecting human rights. These include the "Our Favorite Cities" program, which combines a set of projects for the development of cities and regions of the Company's presence, as well as the PhosAgro School program, which

allows developing and improving the level of education in schools, secondary and higher educational institutions in various regions of the country, and, for example, the DROZD program, which aims to develop education, sports and spirituality. These programs also help reduce social risks in the regions of the Company's presence and beyond.

From 2022, all social programs will include clear and measurable criteria for assessing their effectiveness, which will be reviewed and supplemented annually as programs develop.

In 2022, as part of the 27th Conference of the Parties to the UNFCCC (COP27), the Company joined the Declaration of the Business for Water, Sanitation and Hygiene Resilient to Climate Change (WASH). This initiative brings together companies that strive to take measures for ensuring universal access to water, sanitation and hygiene (WASH) both directly and in supply chains as part of our corporate goals and water resources management programs, which are consistent with important aspects of human rights.

Informing and training the Company's employees

The Company's employees are familiarized with the Anti-Corruption Policy, the Code of Ethics, the Regulations on the Organization of the PhosAgro Hotline and other internal documents upon employment. Contractor employees are familiarized with the Anti-Corruption Policy, the Code of Ethics, the Regulations on the Organization of the PhosAgro Hotline and other internal documents at the introductory briefing when admitted to work. The company provides training and testing on issues related to respect for and observance of human rights, and annually conducts online training and assessment of employees for their knowledge of the principles of the Anti-Corruption Policy and the Code of Ethics.