Consolidated Financial Statements

EN+ GROUP IPJSC
Consolidated Financial Statements
for the year ended 31 December 2024

Contents

EN+ GROUP IPJSC
Statement of Management's Responsibilities

Statement of Management's Responsibilities for the Preparation and Approval of the Consolidated Financial Statements for the year ended 31 December 2024

The following statement, which should be read in conjunction with the auditors' responsibilities stated in the auditors' report on the audit of the consolidated financial statements set out on pages 4-8, is made with a view to distinguishing the respective responsibilities of management and those of the auditors in relation to the consolidated financial statements of EN+ GROUP IPJSC and its subsidiaries.

Management is responsible for the preparation of the consolidated financial statements for the year ended 31 December 2024 in accordance with IFRS Accounting Standards.

In preparing the consolidated financial statements, management is responsible for:

- Selecting suitable accounting principles and applying them consistently;
- Making judgements and estimates that are reasonable and prudent;
- Stating whether IFRS Accounting Standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- Preparing the consolidated financial statements on a going concern basis, unless it is inappropriate to presume that the Group will continue in the business for the foreseeable future.

Management, within its competencies, is also responsible for:

- Designing, implementing and maintaining an effective system of internal controls throughout the Group;
- Maintaining statutory accounting records in compliance with local legislation and accounting standards in the respective jurisdictions in which the Group operates;
- Taking steps to safeguard the assets of the Group; and
- Detecting and preventing fraud and other irregularities.

These consolidated financial statements were approved by the Board of Directors on 19 March 2025 and were signed on its behalf by:

General Director of EN+ GROUP IPJSC Vladimir Kolmogorov

NEW CHALLENGES
NEW SOLUTIONS

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Independent auditor's report

To the Shareholders and Board of Directors of
IPJSC EN+ GROUP

Opinion

We have audited the consolidated financial statements of IPJSC EN+ GROUP and its subsidiaries (the "Group"), which comprise the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024, the consolidated statement of financial position as at 31 December 2024, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the ethical requirements of the Code of professional ethics for auditors and the Independence rules of auditors and audit organizations that are relevant to our audit of the consolidated financial statements in the Russian Federation together with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1(e) of the consolidated financial statements as of 31 December 2024, which indicates that the geopolitical tensions and sanctions imposed by a range of countries, accompanied by the volatility of commodity, stock and currency markets, may significantly affect operational, investing and financing activity of the Group. As stated in Note 1(e), these events or conditions, along with other matters as set forth in Note 1(e) of the consolidated financial statements, indicate that material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. In addition to the matters described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Impairment analysis of property, plant and equipment	
Impairment analysis of property, plant and equipment was a key audit matter due to the significance of property, plant and equipment balance in the consolidated financial statements, high subjectivity of judgments and estimates underlying the impairment analysis used by management. Current global market conditions, including fluctuations in LME aluminum prices, market premiums and alumina purchase prices together with their long-term forecasts, fluctuations of coal sale prices, increase of logistics costs may indicate that some cash generating units (CGU) may be subject to either impairment loss or full or partial reversal of previously recognized impairment. Evaluation of the recoverable amount of fixed assets is based on the higher of the fair value less cost to sell and value in use. As of the reporting date management makes an assessment of value-in-use based on the discounted cash flow models. Information on the results of the impairment testing is provided in Note 11 (c) to the consolidated financial statements.	We analyzed management's assessment of whether indicators for potential impairment or reversal of impairment previously recorded exist. For the impairment tests performed our procedures included, among others: ▸ Comparison of key assumptions such as production volumes, forecasted aluminum sales prices, forecasted coal sales prices and volumes, forecasted alumina and bauxites purchase prices, forecasted costs inflation, forecasted currency exchange rates, discount rates, used in the Group's financial model with published macroeconomic indicators and forecast data. ▸ Assessing the historical accuracy of management's budgets and forecasts by comparing them to actual performance. ▸ Checking the arithmetic accuracy of the impairment model and assessing a sensitivity analysis of value-in-use to changes in key assumptions. With assistance of our internal valuation experts we analyzed the Group's management calculations of the recoverable amount of fixed assets. We assessed the impairment related disclosures in the consolidated financial statements, including the key assumptions used and the sensitivity of the consolidated financial statements to these assumptions.

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Other information included in the Annual report

Other information consists of the information included in the Annual report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and the Board of Directors for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units of the group as a basis for forming our opinion on the consolidated financial statements of the group. We are responsible for the direction, supervision and review of audit work performed for group audit purposes. We remain fully responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is Khachaturian Mikhail Sergeevich.

Khachaturian Mikhail Sergeevich
General director of TSATR – Audit Services Limited Liability Company, partner in charge of the audit resulting in this independent auditor's report (main registration number 21906108270)

19 March 2025

Details of the auditor

Name: TSATR – Audit Services Limited Liability Company
Record made in the State Register of Legal Entities on 5 December 2002, State Registration Number 1027739707203.
Address: Russia 115035, Moscow, Sadovnicheskaya naberezhnaya, 75.
TSATR – Audit Services Limited Liability Company is a member of Self-regulatory organization of auditors Association "Sodruzhestvo". TSATR – Audit Services Limited Liability Company is included in the control copy of the register of auditors and audit organizations, main registration number 12006020327.

Details of the audited entity

Name: IPJSC EN+ GROUP
Record made in the State Register of Legal Entities on 9 July 2019, State Registration Number 1193926010398.
Address: Russia 236006, Kaliningrad, Oktyabrskaya street, b. 8, office 34.

EN+ GROUP IPJSC
Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2024

		Year ended 31 December	
		2024	2023
	Note	USD million	USD million
Revenues	5	14,649	14,648
Cost of sales		(10,216)	(11,366)
Gross profit		**4,433**	**3,282**
Distribution expenses		(922)	(844)
General and administrative expenses		(970)	(874)
Impairment of non-current assets	11, 12	(661)	(366)
Other operating expenses, net	6	(374)	(168)
Results from operating activities		**1,506**	**1,030**
Share of profits of associates and joint ventures	13	563	752
Finance income	8	444	120
Finance costs	8	(944)	(1,026)
Profit before tax		**1,569**	**876**
Income tax expense	10	(221)	(160)
Profit for the year		**1,348**	**716**
Attributable to:			
Shareholders of the Parent Company		996	596
Non-controlling interests	16(f)	352	120
Profit for the year		**1,348**	**716**
Earnings per share			
Basic and diluted earnings per share (USD)	9	1.983	1.186

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 233 to 295.

EN+ GROUP IPJSC
Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2024 (continued)

	Note	Year ended 31 December 2024 USD million	Year ended 31 December 2023 USD million
Profit for the year		**1,348**	**716**
Other comprehensive (loss)/income			
Items that will never be reclassified subsequently to profit or loss			
Actuarial (loss) gain on post-retirement benefit plans	18(b)	(8)	8
Revaluation of hydro assets	11(e)	389	–
Taxation on revaluation of hydro assets	10	(244)	–
		137	**8**
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences on foreign subsidiaries		(285)	(861)
Foreign currency translation differences for equity-accounted investees	13	(500)	(1,011)
		(785)	**(1,872)**
Other comprehensive (loss)/income for the year, net of tax		**(648)**	**(1,864)**
Total comprehensive (loss)/income for the year		**700**	**(1,148)**
Attributable to:			
Shareholders of the Parent Company		622	(555)
Non-controlling interests	16(f)	78	(593)
Total comprehensive (loss)/income for the year		**700**	**(1,148)**

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 233 to 295.

EN+ GROUP IPJSC
Consolidated Statement of Financial Position
as at 31 December 2024

	Note	31 December 2024 USD million	31 December 2023 USD million
Assets			
Non-current assets			
Property, plant and equipment	11	10,725	10,472
Goodwill and intangible assets	12	1,921	2,086
Interests in associates and joint ventures	13	4,906	4,542
Deferred tax assets	10(b)	379	264
Investments in equity securities measured at fair value through profit and loss	15(h)	218	340
Derivative financial assets	19	–	13
Other non-current assets	15(g)	263	303
Total non-current assets		**18,412**	**18,020**
Current assets			
Inventories	14	4,458	3,575
Trade and other receivables	15(b)	1,723	1,723
Prepayments and VAT recoverable	15(c)	803	593
Income tax receivable	10(e)	34	14
Short-term investments		133	97
Derivative financial assets	19	27	19
Cash and cash equivalents	15(f)	1,883	2,347
Total current assets		**9,061**	**8,368**
Total assets		**27,473**	**26,388**
Equity and liabilities			
Equity	16		
Share capital		–	–
Share premium		1,516	1,516
Additional paid-in capital		9,193	9,193
Revaluation reserve		3,625	3,480
Other reserves		(1,394)	(1,492)
Foreign currency translation reserve		(7,094)	(6,578)
Retained earnings		1,697	802
Total equity attributable to shareholders of the Parent Company		**7,543**	**6,921**
Non-controlling interests	16(f)	4,738	4,660
Total equity		**12,281**	**11,581**
Non-current liabilities			
Loans and borrowings	17	4,983	8,477
Deferred tax liabilities	10(b)	1,179	991
Provisions – non-current portion	18	305	351
Other non-current liabilities		157	196
Total non-current liabilities		**6,624**	**10,015**
Current liabilities			
Loans and borrowings	17	5,781	2,587
Provisions – current portion	18	133	124
Trade and other payables	15(d)	1,761	1,369
Advances received	15(e)	544	339
Other taxes payable		323	373
Derivative financial liabilities	19	26	–
Total current liabilities		**8,568**	**4,792**
Total equity and liabilities		**27,473**	**26,388**

The consolidated statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 233 to 295.

EN+ GROUP IPJSC
Consolidated Statement of Cash Flows
for the year ended 31 December 2024

	Note	Year ended 31 December 2024 USD million	Year ended 31 December 2023 USD million
Operating activities			
Profit for the year		**1,348**	**716**
Adjustments for:			
Depreciation and amortisation	11,12	753	765
Impairment of non-current assets		661	366
Net foreign exchange (gain)/loss	8	(221)	85
Loss/(gain) on disposal of property, plant and equipment	6	7	(4)
Share of profits of associates and joint ventures	13	(563)	(752)
Interest expense	8	830	748
Interest income	8	(160)	(93)
Dividend income	8	(2)	(27)
Income tax expense	10	221	160
Partial reversal of provision of inventories to net realisable value		(2)	(14)
Impairment of trade and other receivables	6	69	16
Provision for legal claims	18	29	3
Change in fair value of derivative financial instruments	8	(61)	99
Change in fair value of financial assets and liabilities	8	114	94
Operating profit before changes in working capital		**3,023**	**2,162**
(Increase)/decrease in inventories		(847)	843
(Increase)/decrease in trade and other receivables and advances paid		(743)	340
Increase/(decrease) in trade and other payables and advances received		592	(259)
Cash flows from operations before income tax		**2,025**	**3,086**
Income taxes paid	10(e)	(367)	(365)
Cash flows from operating activities		**1,658**	**2,721**

The consolidated statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 233 to 295.

EN+ GROUP IPJSC
Consolidated Statement of Cash Flows
for the year ended 31 December 2024 (continued)

	Note	Year ended 31 December 2024 USD million	Year ended 31 December 2023 USD million
Investing activities			
Proceeds from disposal of property, plant and equipment		16	13
Acquisition of property, plant and equipment		(1,842)	(1,413)
Acquisition of intangible assets		(36)	(35)
Cash paid for investment in equity securities measured at fair value through profit and loss		–	(5)
Cash received from / (paid for) other investments		2	(69)
Interest received		146	84
Dividends from associates and joint ventures		416	–
Dividends from financial assets		2	23
Prepayment for acquisition of a joint venture		–	(13)
Acquisition of a joint venture		(303)	–
Contribution to associates and joint ventures	13	(22)	(5)
Change in restricted cash		–	1
Cash flows used in investing activities		**(1,621)**	**(1,419)**
Financing activities			
Proceeds from borrowings		4,340	6,103
Repayment of borrowings		(3,805)	(7,662)
Acquisition of non-controlling interest	16(a)	–	(3)
Interest paid		(929)	(682)
Restructuring fees		(23)	(31)
Settlement of derivative financial instruments		63	(2)
Cash flows used in financing activities		**(354)**	**(2,277)**
Net decrease in cash and cash equivalents		**(317)**	**(975)**
Cash and cash equivalents at beginning of the year, excluding restricted cash		2,345	3,474
Effect of exchange rate changes on cash and cash equivalents		(147)	(154)
Cash and cash equivalents at end of the year, excluding restricted cash	15(f)	**1,881**	**2,345**

Restricted cash amounted to USD 2 million and USD 2 million at 31 December 2024 and 31 December 2023, respectively.

The consolidated statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 233 to 295.

USD million	Attributable to shareholders of the Parent Company								
	Share premium	Additional paid-in capital	Revaluation reserve	Other reserves	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2023	**1,516**	**9,193**	**3,480**	**(1,497)**	**(5,422)**	**210**	**7,480**	**5,252**	**12,732**
Comprehensive income									
Profit for the year	–	–	–	–	–	596	**596**	120	**716**
Other comprehensive income/(loss)	–	–	–	5	(1,156)	–	**(1,151)**	(713)	**(1,864)**
Total comprehensive income/(loss) for the year	**–**	**–**	**–**	**5**	**(1,156)**	**596**	**(555)**	**(593)**	**(1,148)**
Transactions with owners									
Change in effective interest in subsidiaries (note 16(a))	–	–	–	–	–	(4)	**(4)**	1	**(3)**
Total transactions with owners	**–**	**–**	**–**	**–**	**–**	**(4)**	**(4)**	**1**	**(3)**
Balance 31 December 2023	**1,516**	**9,193**	**3,480**	**(1,492)**	**(6,578)**	**802**	**6,921**	**4,660**	**11,581**
Balance at 1 January 2024	**1,516**	**9,193**	**3,480**	**(1,492)**	**(6,578)**	**802**	**6,921**	**4,660**	**11,581**
Comprehensive income									
Profit for the year	–	–	–	–	–	996	**996**	352	**1,348**
Other comprehensive income/(loss)	–	–	**145**	**(3)**	**(516)**	–	**(374)**	**(274)**	**(648)**
Revaluation of hydro assets as at 31 December 2024 (note 11(e))	–	–	389	–	–	–	**389**	–	**389**
Taxation on revaluation of hydro assets (note 10)	–	–	(244)	–	–	–	**(244)**	–	**(244)**
Other	–	–	–	(3)	(516)	–	**(519)**	(274)	**(793)**
Total comprehensive income/(loss) for the year	–	–	**145**	**(3)**	**(516)**	**996**	**622**	**78**	**700**
Other transfers within equity	–	–	–	101	–	(101)	–	–	–
Balance 31 December 2024	**1,516**	**9,193**	**3,625**	**(1,394)**	**(7,094)**	**1,697**	**7,543**	**4,738**	**12,281**

The consolidated statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 233 to 295.

1. Background

(a) Organisation

EN+ GROUP IPJSC (the "Parent Company" or EN+) was established as a limited liability company according to the legislation of the British Virgin Islands on 30 April 2002 under the name of Baufinanz Limited. On 18 March 2004, the Parent Company registered a change of its legal name to Eagle Capital Group Limited. On 25 August 2005, the Parent Company changed its domicile to Jersey and was renamed to En+ Group Limited. On 1 June 2017, the Parent Company changed its status to a public company and was renamed to EN+ GROUP PLC. On 9 July 2019, the Parent Company changed its domicile to the Russian Federation with a registration as EN+ GROUP International public joint-stock company (EN+ GROUP IPJSC). The Parent Company's registered office is Oktyabrskaya st. 8, office 34, Kaliningrad, Kaliningrad Region, 236006, Russian Federation.

EN+ GROUP IPJSC is the parent company for the vertically integrated aluminium and power group, engaged in aluminium production and energy generation (together with the Parent Company referred to as "the Group").

The Parent Company's ordinary shares are traded on the Moscow Exchange's Level One Quotation List (ticker: ENPG) since 17 February 2020.

Since November 2017, EN+'s GDRs, each representing one ordinary share, were listed on the London Stock Exchange. Since March 2022, the London Stock Exchange has suspended trading in securities of Russian companies, including EN+. On 16 April 2022, Federal Law No. 114-FZ came into force, requiring Russian companies to initiate the termination of deposit agreements for their GDR programmes. EN+ received a permission to continue trading its GDRs outside Russia until 7 November 2024, inclusive. To comply with the Federal Law, on 8 October 2024, the Parent Company sent notices to request the cancellation of listing and admission to trading of its GDRs. The depository agreements in respect of the GDRs were valid until 7 November 2024, inclusive (until their expiration). London Stock Exchange has formally cancelled the EN+'s GDRs admission to trading with effect from 19 November 2024.

Until 17 April 2020 inclusive, EN+'s GDRs were listed on the Moscow Exchange. The GDRs were subsequently delisted from the Moscow Exchange on 20 April 2020. During the two-month transition period prior to this date the two equity instruments (GDRs and ordinary shares) continued to be traded on the Moscow Exchange.

As at 31 December 2024 and 31 December 2023 Mr. Oleg Deripaska beneficially controls and exercises voting rights in respect of 35% of the voting shares of the Parent Company and his direct or indirect shareholding cannot exceed 44.95% of the shares of the Parent Company.

The other significant holders as at 31 December 2024 and 31 December 2023 were as follows:

	31 December 2024	31 December 2023
Special financial organisation	21.37%	21.37%
Glencore Group Funding Limited	10.55%	10.55%
Other shareholders	23.13%	23.13%

Glencore Group Funding Limited is a subsidiary of Glencore Plc.

Based on the information at the Group's disposal at the reporting date, there is no individual that has an indirect prevailing ownership interest in the Parent Company exceeding 50%, who could exercise voting rights in respect of more than 35% of the Parent Company's issued share capital or has an opportunity to exercise control over the Parent Company.

Related party transactions are detailed in note 23.

(b) Operations

The Group is a leading vertically integrated aluminium and power producer, which combines the assets and results of its Metals and Power segments.

The Metals segment operates in the aluminium industry primarily in the Russian Federation, Guinea, Jamaica, Ireland, Italy and Sweden and is principally engaged in the mining and refining of bauxite and nepheline ore into alumina, the smelting of primary aluminium from alumina and the fabrication of aluminium and aluminium alloys into semi-fabricated and finished products.

The Power segment engages in all major areas of the power industry, including electric power generation, power trading and supply. It also includes supporting operations engaged in the supply of coal resources to the Group. The Group's principal power plants are located in East Siberia and Volga Region, the Russian Federation.

(c) Business environment in emerging economies

The Russian Federation, Jamaica and Guinea have been experiencing political and economic changes that have affected, and may continue to affect, the activities of enterprises operating in these environments. Consequently, operations in these countries involve risks that typically do not exist in other markets, including reconsideration of privatisation terms in certain countries where the Group operates following changes in governing political powers.

The imposition of economic sanctions on Russian individuals and legal entities by the European Union, the United States of America, Japan, Canada, Australia and others, as well as counter sanctions imposed by the Russian government, has resulted in increased economic uncertainty including more volatile equity, commodity and currency markets. The longer term effects of implemented sanctions, as well as the threat of additional future sanctions, are difficult to determine.

The consolidated financial statements reflect management's assessment of the impact of the Russian, Jamaican and Guinean business environments on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

(d) OFAC sanctions

On 6 April 2018, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") designated, amongst others, the Parent Company, JSC "EuroSibEnergo" (from 6 December 2024 JSC EN+ Generation, "EN+ Generation") and UC RUSAL Plc (from 25 September 2020 UC RUSAL IPJSC, "UC RUSAL") as Specially Designated Nationals ("SDN") (the "OFAC Sanctions").

As a result, all property or interests in property of the Parent Company and its subsidiaries located in the United States or in the possession of U.S. Persons were blocked, frozen, and could not have been transferred, paid, exported, withdrawn, or otherwise dealt in. Several general licenses were issued at the time of the designation and subsequently certain transactions were authorised with the Parent Company, EN+ Generation and UC RUSAL, and with their respective debt and equity.

On 27 January 2019, OFAC announced the removal of the Parent Company and its subsidiaries, including UC RUSAL and EN+ Generation, from OFAC's SDN list and Blocked Persons with immediate effect. The removal was subject to and conditional upon the satisfaction of a number of conditions including, but not limited to:

- Ending Mr. Oleg Deripaska's control of the Group, through the reduction of his direct and indirect ownership interest in the Parent Company to below 50%;
- Establishing independent voting arrangements for the Parent Company's shares held by certain shareholders;
- Corporate governance changes, including, inter alia, overhauling the composition of the EN+ Board to ensure that independent directors constitute the majority of the Board, and ongoing reporting and certifications by the Parent Company and UC RUSAL to OFAC concerning compliance with the conditions for sanctions' removal.

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(e) Going concern

These consolidated financial statements have been prepared assuming that the Group will continue as a going concern. Accordingly, these financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, the amounts and classification of liabilities or any other adjustments that might result from the Group being unable to continue as a going concern.

Continuing geopolitical instability and unpredictability of its further developments, including current and potential sanctions imposed by US, EU and other countries, may cause potential significant limitations for sales channels, availability of production raw materials and possibility to organize supply chain. Availability of future financing, including increased key rate of Central Bank of Russian Federation and volatility of currency, stock commodity and financial markets, potential imposition of export customs duties may affect the Group's business, financial condition, prospects and results of operations.

The facts described above, create material uncertainty in the Group's ability to meet its financial obligations on time and continue as a going concern entity. Management constantly evaluates the current situation and prepares forecasts taking into account different scenarios of the events and conditions development. The Group's management expects that prices on the world commodity markets will grow and improve the results of operating activities. The Group is also revising its supply and sales chains, ensuring an optimal equity and debt ratio, searching for resolutions of logistic difficulties, as well as the ways to survive its obligations in order to adapt the current economic changes to maintain the continuance of the Group's operations.

2. Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, which, as at the reporting date, were endorsed on the territory of Russian Federation.

Preparation of these consolidated financial statements is also regulated by Russian Federal Law 208-FZ dated 27 July 2010 *On Consolidated Financial Statements* in all aspects, except for presentation currency, which are regulated by Russian Federal Law 290-FZ dated 3 August 2018 *On International Companies and International Funds*.

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024.

- *Amendments to IAS 1 Presentation of Financial Statements named Classification of Liabilities as Current or Non-current.* The amendments clarify requirements for classifying liabilities as current or non-current;
- *Amendments to IFRS 16 Leases related to lease liability in a sale and leaseback.* The amendments require from the seller-lessee to measure lease liability arising from leaseback in such a way, that no profit or loss is recognized in respect of the right-of-use retained;
- *Amendments to IAS 1 Presentation of Financial Statements named Non-current Liabilities with Covenants.* The amendments presume that liability is classified as non-current if the Group has a substantial right to defer settlement for at least 12 months after the reporting date. The amendments clarify the criteria of classification (included that "future" covenants as well as management intentions do not affect classification as of the reporting date) and require certain additional disclosures;
- *Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures named Supplier Finance Arrangements.* The amendments clarify the influence of supplier finance arrangements on liabilities, cash flows, exposure to liquidity risk and risk management. Also the amendments presume certain additional disclosures.

The amendments mentioned above did not have a significant impact on the consolidated financial statements of the Group.

(b) Standards issued but not effective

The new and amended standards and interpretations that were issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective:

- *Lack of Exchangeability* – Amendments to IAS 21 (effective on or after 1 January 2025);
- *Amendments to the Classification and Measurement of Financial Instruments* – Amendments to IFRS 9 and IFRS 7 (effective on or after 1 January 2026);
- *Contracts Referencing Nature-dependent Electricity* – Amendments to IFRS 9 and IFRS 7 (effective on or after 1 January 2026);.
- *Annual improvements to IFRS Accounting Standards* – Volume 11 (effective on or after 1 January 2026):
  - *Cost method* (Amendments to IAS 7);
  - *Derecognition of lease liabilities* (Amendments to IFRS 9);
  - *Determination of a 'de facto agent'* (Amendments to IFRS 10);
  - *Disclosure of deferred difference between fair value and transaction price* (Amendments to Guidance on implementing IFRS 7);
  - *Gain or loss on derecognition* (Amendments to IFRS 7);
  - *Hedge accounting by a first-time adopter* (Amendments to IFRS 1);
  - *Introduction* (Amendments to Guidance on implementing IFRS 7);
  - *Credit risk disclosures* (Amendments to Guidance on implementing IFRS 7);
  - *Transaction price* (Amendments to IFRS 9).
- *IFRS 18 Presentation and Disclosure in Financial Statements* (effective on or after 1 January 2027);
- *IFRS 19 Subsidiaries without Public Accountability: Disclosures* (effective from 1 January 2027).

The Group is currently assessing the impact the amendments and new standards will have on current practice, when they become effective.

(c) Basis of measurement

The consolidated financial statements have been prepared in accordance with the historical cost basis except as set out in the material accounting policies in notes 11 and 19.

(d) Functional and presentation currency

The functional currencies of the Parent Company and Group's significant subsidiaries are the currencies of the primary economic environment and key business processes of these subsidiaries and include United States Dollar ("USD"), Russian Rouble ("RUB"), Chinese Yuan ("CNY") and Euro ("EUR"). The consolidated financial statements are presented in USD, rounded to the nearest million, except as otherwise stated herein.

The functional currencies of investments in associates and joint ventures are RUB, CNY, Kazakhstani Tenge and Australian Dollar.

(e) Use of judgements, estimates and assumptions

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the consolidated financial statements, and the reported revenue and costs during the relevant period.

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Management bases its judgements and estimates on historical experience and various other factors that are believed to be appropriate and reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have a significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year relate to:

- Measurement of recoverable amount of property, plant and equipment (note 11) and goodwill (note 12);
- Measurement of net realizable value of inventories (note 14);
- Measurement of recoverable amount of investments in associates and joint ventures (note 13);
- Measurement of recoverable amount of deferred tax assets (note 10);
- Estimates in respect of legal proceedings, restoration and exploration, taxation and pension provisions (note 18);
- Measurement of fair value of derivative financial instruments (note 19);
- Measurement of expected credit losses on financial assets (note 15).

3. Material accounting policies

Material accounting policies are described in the related notes to the consolidated financial statements captions and in this note.

The accounting policies and judgements applied by the Group in these consolidated financial statements are consistent with those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2023, except for the adoption of new standards effective from 1 January 2024.

(a) Basis of consolidation

(i) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing control substantive potential voting rights are taken into account.

The financial information of subsidiaries is included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Non-controlling interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the equity shareholders of the Parent Company, whether directly or indirectly through subsidiaries.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Parent Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Parent Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling-interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (refer to note 15) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (refer to note 13).

(ii) Acquisitions of non-controlling interests

The acquisition of an additional non-controlling interest in an existing subsidiary after control has been obtained is accounted for as an equity transaction with any difference between the cost of the additional investment and the carrying amount of the net assets acquired at the date of exchange recognised directly in equity.

For a written put option or forward with the non-controlling shareholders in an existing subsidiary on their equity interest in that subsidiary, if the non-controlling shareholders do not have present access to the returns associated with the underlying ownership interest, the contract is accounted for as an anticipated acquisition of the underlying non-controlling interests, as if the put option had been exercised already or the forward had been satisfied by the non-controlling shareholders.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary items in a foreign currency are measured based on historical cost and are translated using the exchange rate at the date of transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of qualifying cash flow hedges to the extent the hedge is effective, which is recognised in other comprehensive income.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated from their functional currencies to USD at the exchange rates ruling at the reporting date. The income and expenses of foreign operations are translated to USD at exchange rates approximating exchange rates at the dates of the transactions.

Foreign currency differences arising on translation are recognised in other comprehensive income and presented in the currency translation reserve in equity. For the purposes of foreign currency translation, the net investment in a foreign operation includes foreign currency intra-group balances for which settlement is neither planned nor likely in the foreseeable future and foreign currency differences arising from such a monetary item are recognised as part of other comprehensive income in the statement of profit or loss and other comprehensive income.

When a foreign operation is disposed of, such that control, significant influence or joint control is lost, the cumulative amount of the currency translation reserve is transferred to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

4. Segment reporting

(a) Reportable segments

An operating segment is a component of an entity: (a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and (c) for which discrete financial information is available.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

Based on the current management structure and internal reporting the Group has identified two operating segments:

a) *Metals.* The Metals segment comprises UC RUSAL with disclosures being based on the public financial statements of UC RUSAL. All adjustments made to UC RUSAL, including any adjustments arising from different timing of IFRS first time adoption, are included in "Adjustments" column.

   The Power assets of UC RUSAL are included within the Metals segment.

b) *Power.* The Power segment mainly comprises the power assets, as described in note 1(b).

These business units are managed separately and the results of their operations are reviewed by the key executive management personnel and Board of Directors on a regular basis.

(b) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitor the results, assets and liabilities and cash flows attributable to each reportable segment on the following bases:

- Total segment assets include all non-current tangible, intangible assets and current assets.
- Total segment liabilities include all current and non-current liabilities.
- Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

- The measures used for reporting segment results are the net profit and Adjusted EBITDA (key non-IFRS financial measure used by the Group as reference for assessing operating effectiveness). Segment profit or loss and Adjusted EBITDA are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.
- Adjusted EBITDA represents the results from operating activities adjusted for amortisation and depreciation, impairment charges and gain/(losses) on disposal of property, plant and equipment for the relevant period.

In addition to receiving segment information concerning segment results, management is provided with segment information concerning revenue (including inter-segment revenue), the carrying value of investments and share of profits/(losses) of associates and joint ventures, depreciation, amortisation, interest income and expenses, other finance income and costs, income tax, gains/(losses) on disposal of property, plant and equipment, impairment of non-current assets and additions of non-current segment assets used by the segments in their operations. Inter-segment pricing is determined primarily on a consistent basis using market benchmarks.

Year ended 31 December 2024

USD million	**Metals**	**Power**	**Adjustments**	**Total**
Consolidated statement of profit or loss and other comprehensive income				
Revenue from external customers	*11,885*	*2,764*	–	***14,649***
Primary aluminium and alloys	9,538	–	–	**9,538**
Alumina and bauxite	754	–	–	**754**
Semi-finished products and foil	585	314	–	**899**
Electricity	111	1,666	–	**1,777**
Heat	51	378	–	**429**
Other	846	406	–	**1,252**
Inter-segment revenue	*197*	*1,089*	*(1,286)*	–
Total segment revenue	**12,082**	**3,853**	**(1,286)**	**14,649**
Operating expenses (excluding depreciation and gain/loss on disposal of property, plant and equipment)	(10,588)	(2,407)	1,273	**(11,722)**
Adjusted EBITDA	**1,494**	**1,446**	**(13)**	**2,927**
Depreciation and amortisation	(538)	(217)	2	**(753)**
(Loss)/gain on disposal of property, plant and equipment	(8)	1	–	**(7)**
Impairment of non-current assets	(580)	(81)	–	**(661)**
Results from operating activities	**368**	**1,149**	**(11)**	**1,506**
Share of profits and impairment of associates and joint ventures	564	(1)	–	**563**
Interest expense, net	(296)	(374)	–	**(670)**
Other finance costs, net	222	(52)	–	**170**
Profit before tax	**858**	**722**	**(11)**	**1,569**
Income tax expense	(55)	(169)	3	**(221)**
Profit for the year	**803**	**553**	**(8)**	**1,348**
Additions to non-current segment assets during the year (note 11(b))	(1,503)	(577)	7	**(2,073)**

Year ended 31 December 2024

USD million	**Metals**	**Power**	**Adjustments**	**Total**
Consolidated statement of financial position				
Segment assets, excluding cash and cash equivalents and interests in associates and joint ventures	15,830	5,697	(843)	**20,684**
Investment in Metals segment	–	4,595	(4,595)	–
Cash and cash equivalents	1,503	380	–	**1,883**
Interests in associates and joint ventures	4,868	38	–	**4,906**
Total segment assets	**22,201**	**10,710**	**(5,438)**	**27,473**
Segment liabilities, excluding loans, borrowings and bonds payable	3,067	1,535	(174)	**4,428**
Loans, borrowings and bonds payable	7,918	2,846	–	**10,764**
Total segment liabilities	**10,985**	**4,381**	**(174)**	**15,192**
Total segment equity	11,216	6,329	(5,264)	**12,281**
Total segment equity and liabilities	**22,201**	**10,710**	**(5,438)**	**27,473**
Consolidated statement of cash flows				
Cash flows from operating activities	**483**	**1,133**	**42**	**1,658**
Cash flows used in investing activities	**(1,078)**	**(501)**	**(42)**	**(1,621)**
Acquisition of property, plant and equipment, intangible assets	(1,366)	(519)	7	**(1,878)**
Cash received from/(paid for) other investments	45	6	(49)	**2**
Dividends from the jointly controlled entities and other associates	416	–	–	**416**
Interest received	116	30	–	**146**
Acquisition of a joint venture	(303)	–	–	**(303)**
Other investing activities	14	(18)	–	**(4)**
Cash flows from / (used in) financing activities	**113**	**(467)**	–	**(354)**
Interest paid	(494)	(435)	–	**(929)**
Restructuring fees	(15)	(8)	–	**(23)**
Settlements of derivative financial instruments	63	–	–	**63**
Other financing activities	559	(24)	–	**535**
Net change in cash and cash equivalents	**(482)**	**165**	–	**(317)**

Year ended 31 December 2023

USD million	**Metals**	**Power**	**Adjustments**	**Total**
Consolidated statement of profit or loss and other comprehensive income				
Revenue from external customers	*12,008*	*2,640*	–	***14,648***
Primary aluminium and alloys	9,933	–	–	**9,933**
Alumina and bauxite	513	–	–	**513**
Semi-finished products and foil	550	314	–	**864**
Electricity	128	1,518	–	**1,646**
Heat	55	421	–	**476**
Other	829	387	–	**1,216**
Inter-segment revenue	*205*	*947*	*(1,152)*	–
Total segment revenue	**12,213**	**3,587**	**(1,152)**	**14,648**
Operating expenses (excluding depreciation and gain/loss on disposal of property, plant and equipment)	(11,427)	(2,295)	1,231	**(12,491)**
Adjusted EBITDA	**786**	**1,292**	**79**	**2,157**
Depreciation and amortisation	(540)	(228)	3	**(765)**
(Loss)/gain on disposal of property, plant and equipment	(4)	8	–	**4**
Impairment of non-current assets	(321)	(45)	–	**(366)**
Results from operating activities	**(79)**	**1,027**	**82**	**1,030**
Share of profits and impairment of associates and joint ventures	752	–	–	**752**
Interest expense, net	(312)	(343)	–	**(655)**
Other finance costs, net	(117)	(134)	–	**(251)**
Profit before tax	**244**	**550**	**82**	**876**
Income tax expense	38	(195)	(3)	**(160)**
Profit for the year	**282**	**355**	**79**	**716**
Additions to non-current segment assets during the year (note 11(b))	(1,121)	(443)	7	**(1,557)**

Year ended 31 December 2023

USD million	Metals	Power	Adjustments	Total
Consolidated statement of financial position				
Segment assets, excluding cash and cash equivalents and interests in associates and joint ventures	14,856	5,551	(908)	**19,499**
Investment in Metals segment	–	4,595	(4,595)	**–**
Cash and cash equivalents	2,087	260	–	**2,347**
Interests in associates and joint ventures	4,521	21	–	**4,542**
Total segment assets	**21,464**	**10,427**	**(5,503)**	**26,388**
Segment liabilities, excluding loans, borrowings and bonds payable	2,582	1,405	(244)	**3,743**
Loans, borrowings and bonds payable	7,866	3,198	–	**11,064**
Total segment liabilities	**10,448**	**4,603**	**(244)**	**14,807**
Total segment equity	11,016	5,824	(5,259)	**11,581**
Total segment equity and liabilities	**21,464**	**10,427**	**(5,503)**	**26,388**
Consolidated statement of cash flows				
Cash flows from / (used in) operating activities	**1,760**	**963**	**(2)**	**2,721**
Cash flows (used in) / from investing activities	**(1,030)**	**(391)**	**2**	**(1,419)**
Acquisition of property, plant and equipment, intangible assets	(1,056)	(394)	2	**(1,448)**
Cash paid for investment in equity securities measured at fair value through profit and loss	(5)	–	–	**(5)**
Cash paid for other investments	(49)	(20)	–	**(69)**
Interest received	61	23	–	**84**
Other investing activities	19	–	–	**19**
Cash flows used in financing activities	**(1,747)**	**(530)**	–	**(2,277)**
Interest paid	(422)	(260)	–	**(682)**
Restructuring fees	(30)	(1)	–	**(31)**
Settlements of derivative financial instruments	(2)	–	–	**(2)**
Other financing activities	(1,293)	(269)	–	**(1,562)**
Net change in cash and cash equivalents	**(1,017)**	**42**	–	**(975)**

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(i) Geographic information

The Group's operating segments are managed on a worldwide basis, but operate in four principal geographical areas: the CIS, Europe, Africa and the Americas. In the CIS, production facilities operate in Russia. In Europe, production facilities are located in Italy, Ireland and Sweden. African production facilities are represented by the bauxite mines and an alumina refinery in Guinea. In the Americas the Group operates one production facility in Jamaica.

The following table sets out information about the geographical location of the Group's revenue from external customers and the Group's property, plant and equipment, intangible assets and interests in associates and joint ventures ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset. Unallocated specified non-current assets comprise mainly goodwill.

	Year ended 31 December	
Revenue from external customers	**2024**	**2023**
	USD million	**USD million**
Russia	6,293	5,897
China	3,706	2,855
Turkey	859	1,182
South Korea	856	1,191
Spain	306	237
Italy	220	198
Belarus	183	211
Germany	174	268
France	170	129
Greece	169	341
Taiwan	151	70
Poland	139	222
Uzbekistan	131	128
Netherlands	124	256
Ireland	115	115
India	113	133
Other countries	940	1,215
	14,649	**14,648**

	31 December	
Specified non-current assets	**2024**	**2023**
	USD million	**USD million**
Russia	14,341	14,198
China	435	–
Guinea	278	234
Ireland	85	89
Unallocated	3,273	3,499
	18,412	**18,020**

5. Revenues

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. The details of significant accounting policies in relation to the Group's various goods and services are set out below:

Sales of goods: comprise sale of primary aluminium, alloys, alumina, bauxite and other products. Customers obtain control of the goods supplied when the goods are delivered to the point when risks are transferred based on Incoterms delivery terms stated in the contract, legal title to the asset and physical possession of the asset is transferred. Invoices are generated and revenue is recognised at that point in time. Invoices are usually payable in advance or with deferral up to 90 days.

Rendering of transportation services: as part of sales of goods the Group also performs transportation to the customer under contract terms. In certain cases, the control of goods delivered is transferred to customers prior to transportation being completed. In these cases rendering of transportation services from when the control of goods has been transferred is considered as a separate performance obligation.

Rendering of electricity supply services: The Group is involved in sales of electricity to third and related parties. Invoices are issued once a month at the end of month and paid within 30 days. Revenue is recognised over time during the month of power supply.

	Year ended 31 December	
	2024	**2023**
	USD million	**USD million**
Sales of primary aluminium and alloys	**9,538**	**9,933**
Third parties	9,335	9,689
Related parties – companies capable of exerting significant influence	200	241
Related parties – associates and joint ventures	3	3
Sales of alumina and bauxite	**754**	**513**
Third parties	416	248
Related parties – associates and joint ventures	338	265
Sales of semi-finished products and foil	**899**	**864**
Third parties	899	864
Sales of electricity	**1,777**	**1,646**
Third parties	1,738	1,607
Related parties – associates and joint ventures	39	39
Sales of heat	**429**	**476**
Third parties	427	474
Related parties – companies capable of exerting significant influence	2	2
Other revenues	**1,252**	**1,216**
Third parties	1,012	977
Related parties – companies capable of exerting significant influence	39	35
Related parties – associates and joint ventures	201	204
	14,649	**14,648**

Revenue of the Group includes primarily revenue from contracts with customers as well as other revenue.

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6. Other operating expenses, net

	Year ended 31 December	
	2024	**2023**
	USD million	**USD million**
Impairment of trade and other receivables	(69)	(16)
Charity	(57)	(38)
(Loss)/gain on disposal of property, plant and equipment	(7)	4
Other	(241)	(118)
	(374)	**(168)**

7. Personnel costs

Personnel costs comprise salaries, annual bonuses, annual leave, cost of non-monetary benefits and social contributions. Salaries, annual bonuses, paid annual leave and cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The employees of the Group are also members of retirement schemes operated by local authorities. The Group is required to contribute a certain percentage of their payroll to these schemes to fund the benefits.

The Group's total contribution to those schemes charged to profit or loss during the years presented is shown below.

The Group's net obligation in respect of defined benefit pension and other post-retirement plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of any future refunds from the plan or reductions in future contributions to the plan.

Where there is a change in actuarial assumptions, the resulting actuarial gains and losses are recognised directly in other comprehensive income.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised in profit or loss immediately.

The Group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on curtailment comprises any resulting change in the fair value of plan assets, any change in the present value of the defined benefit obligation, any related actuarial gains and losses.

	Year ended 31 December	
	2024	**2023**
	USD million	**USD million**
Contributions to defined contribution retirement plans	(309)	(288)
Contributions to defined benefit retirement plans	(2)	(1)
Total retirement costs	**(311)**	**(289)**
Wages and salaries	(1,537)	(1,277)
	(1,848)	**(1,566)**

8. Finance income and costs

Finance income comprises interest income on funds invested, dividend income and foreign currency gains. Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprise interest expense on loans and bonds, foreign currency losses and changes in the fair value of financial assets at fair value through profit or loss. All borrowing costs are recognised in profit or loss using the effective interest method, except for borrowing costs related to the acquisition, construction and production of qualifying assets which are recognised as part of the cost of such assets.

	Year ended 31 December	
	2024	2023
	USD million	USD million
Finance income		
Foreign exchange gain	221	–
Interest income	160	93
Change in fair value of derivative financial instruments (note 19)	61	–
Dividend income	2	27
	444	**120**
Finance costs		
Interest expense	(830)	(748)
Change in fair value of financial assets and liabilities	(114)	(94)
Change in fair value of derivative financial instruments (note 19)	–	(99)
Foreign exchange loss	–	(85)
	(944)	**(1,026)**

9. Earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders for the years ended 31 December 2024 and 31 December 2023.

	Year ended 31 December	
	2024	2023
Weighted average number of shares	502,337,774	502,337,774
Profit for the year attributable to the shareholders of the Parent Company, USD million	996	596
Basic and diluted earnings per share, USD	**1.983**	**1.186**

There were no outstanding dilutive instruments during the years ended 31 December 2024 and 31 December 2023.

10. Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

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Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements deferred tax liabilities are not recognized where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill (for taxable differences); the initial recognition of assets or liabilities in a transaction that: a) is not a business combination, b) affects neither accounting nor taxable profit, c) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liability. Such changes to tax liabilities will impact tax expenses in the period that such a determination is made. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group has both the right and the intention to settle its current tax assets and liabilities on a net or simultaneous basis.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(a) Income tax expense

	Year ended 31 December	
	2024	2023
	USD million	USD million
Current tax expense	**(362)**	**(370)**
Current tax for the year	(362)	(312)
Windfall tax	–	(58)
Deferred tax expense	**141**	**210**
Origination and reversal of temporary differences	70	210
Effect of change of the tax rate in Russian Federation from 1 January 2025	71	–
	(221)	**(160)**

The Parent Company is a tax resident of the Russian SAR (special administrative region). Companies which register in the SAR as part of the continuance out of a foreign jurisdiction (such as the Parent Company) may have a number of tax benefits, subject to certain conditions.

The Parent Company and its subsidiaries pay income taxes in accordance with the legislative requirements of their respective tax jurisdictions. For the Parent Company and subsidiaries domiciled in the Russian Federation the applicable tax rate in 2024 was 20%, Guinea – 0% to 35%, China – 25%, Kazakhstan – 20%, Australia – 30%, Jamaica – 25%, Ireland – 12.5%, Sweden – 20.6% and Italy – 26.93%, Switzerland – 9.% and 11.85% and United Arab Emirates – 0% to 9%. For the RUSAL's significant trading companies, the applicable tax rates range from 0% to 25%. The applicable tax rates for the year ended 31 December 2024 were the same as for the year ended 31 December 2023 except for tax rates for subsidiaries domiciled in Switzerland which amounted to 9.07% and 11.82%.

Management continues to monitor and evaluate the domestic implementation by relevant countries of the Organisation for Economic Co-operation and Development's (OECD) Pillar Two which seeks to apply a 15% global minimum tax. In order to be implemented, the Pillar Two rules must be adopted at the national tax legislation level of each respective country. Management estimates the exposure to additional taxation under Pillar Two as of the date of authorization of these consolidated financial statements for issue as immaterial for the Group. The Group applies the IAS 12 "*Income Tax*" temporary mandatory exception from deferred tax accounting for Pillar Two.

Increase in the income tax rate in Russian Federation

On 12 July 2024, Federal Law No. 176-FZ *On Amendments to Parts One and Two of the Tax Code of the Russian Federation, Certain Legislative Acts of the Russian Federation, and the Annulment of Certain Provisions of Legislative Acts of the Russian Federation* was adopted. Among other things, the Law introduced an increase in the income tax rate from 20% to 25%. Thus, income tax for 2024 shall be paid at the rate of 20% and the new rate of 25% will apply from 2025 onwards. The Law is effective from 1 January 2025.

The Group accrued additional deferred tax liabilities and deferred tax assets to account for the increase in the income tax rate from 1 January 2025. Additional deferred tax income of USD 71 million was recognized in profit or loss and additional deferred tax loss of USD 148 million was recognized in other comprehensive income.

Reconciliation of effective tax rate

	Year ended 31 December			
	2024		2023	
	USD million	%	USD million	%
Profit before taxation	**1,569**	**(100)**	**876**	**(100)**
Income tax at tax rate applicable for the Parent Company	**(314)**	**20**	**(175)**	**20**
Other non-deductible/taxable items, net	(58)	4	(5)	–
Effect of changes in investment in Norilsk Nickel	69	(4)	126	(14)
Change in unrecognised deferred tax assets	(65)	4	(213)	24
Effect of impairment	(12)	1	(43)	5
Effect of windfall tax	–	–	(58)	7
Effect of the change in the tax rate in Russian Federation from 1 January 2025	71	(5)	–	–
Effect of different income tax rates	88	(6)	208	(24)
Income tax	**(221)**	**14**	**(160)**	**18**

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(b) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following items:

	Assets		Liabilities		Net	
	31 December		31 December		31 December	
USD million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Property, plant and equipment	157	120	(1,516)	(1,243)	**(1,359)**	**(1,123)**
Inventories	87	69	(53)	(44)	**34**	**25**
Trade and other receivables	115	88	(82)	(62)	**33**	**26**
Trade and other payables and advances received	39	33	–	–	**39**	**33**
Tax loss carry-forward	91	72	–	–	**91**	**72**
Others	509	363	(147)	(123)	**362**	**240**
Tax assets/(liabilities)	**998**	**745**	**(1,798)**	**(1,472)**	**(800)**	**(727)**
Set off of tax	(619)	(481)	619	481	–	–
Net deferred tax assets/(liabilities)	**379**	**264**	**(1,179)**	**(991)**	**(800)**	**(727)**

(c) Movement of deferred taxes by types of temporary differences during the year

USD million	1 January 2024	Recognised in profit or loss	Recognised in other comprehensive income	Currency translation	31 December 2024
Property, plant and equipment	(1,123)	(32)	(244)	40	(1,359)
Inventories	25	9	–	–	34
Trade and other receivables	26	7	–	–	33
Trade and other payables and advances received	33	7	–	(1)	39
Tax loss carry-forwards	72	20	–	(1)	91
Others	240	130	–	(8)	362
	(727)	**141**	**(244)**	**30**	**(800)**

USD million	1 January 2023	Recognised in profit or loss	Recognised in other comprehensive income	Currency translation	31 December 2023
Property, plant and equipment	(1,305)	(17)	–	199	(1,123)
Inventories	21	5	–	(1)	25
Trade and other receivables	28	(1)	–	(1)	26
Trade and other payables and advances received	26	9	–	(2)	33
Tax loss carry-forwards	143	(68)	–	(3)	72
Others	(37)	282	–	(5)	240
	(1,124)	**210**	**–**	**187**	**(727)**

Recognised deferred tax assets related to tax losses expire in the following years:

Year of expiry	31 December 2024 USD million	31 December 2023 USD million
Without expiry	91	72
	91	**72**

Others comprise mostly deferred tax assets/(liabilities) arising on foreign exchange differences attributable to various financial instruments.

(d) Unrecognised deferred taxes

At 31 December 2024 and 2023 the Group has not recognized deferred tax in respect to temporary differences associated with investments in subsidiaries as the Group is able to control the timing of reversal of those investments and does not intend to reverse them in the foreseeable future.

At 31 December 2024 and 2023 the Group has not recognized deferred tax in respect to temporary differences associated with investments in associates and joint ventures as both distribution of dividends and profit on sales are non-taxable.

Deferred tax assets have not been recognised in respect of the following items:

	31 December 2024 USD million	31 December 2023 USD million
Deductible temporary differences	1,160	1,086
Tax loss carry-forwards	1,004	841
	2,164	**1,927**

Should the income tax rate in Russian Federation remained at the level of 20% starting from 1 January 2025, the amount of unrecognised deferred tax assets related to deductible temporary differences would have comprised USD 1,037 mln and the amount of tax loss carry-forwards would have comprised USD 882 mln.

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group can utilise the benefits therefrom. Tax losses expire in the following years:

Year of expiry	31 December 2024 USD million	31 December 2023 USD million
Without expiry	1,000	841
From 6 to 10 years	4	–
	1,004	**841**

(e) Current taxation in the consolidated statement of financial position represents

	31 December 2024 USD million	31 December 2023 USD million
Net income tax payable / (receivable) at the beginning of the year	34	(18)
Income tax for the year (including windfall tax)	362	370
Income tax paid (including windfall tax)	(367)	(365)
Tax provision	(4)	–
Translation difference	2	47
	27	**34**
Represented by:		
Income tax payable (note 15(d))	61	48
Income tax receivable	(34)	(14)
Net income tax payable	**27**	**34**

(f) Windfall tax

On 4 August 2023, Federal Law No. 414-FZ *On Windfall Tax* was adopted. The Law established the procedure for determining and paying a one-off tax on excess (windfall) profits.

The tax base for windfall tax was determined as the amount by which the arithmetic mean of profits for 2021-2022 exceeds that for 2018-2019. The tax rate was 10%. The tax was payable before 28 January 2024.

The Law also provided for the option of an early security payment to be made between 1 October and 30 November 2023. The security payment formed a tax credit that the taxpayer could use to reduce the tax. The amount of such tax credit could not exceed ½ of the amount of tax payable. This effectively allowed reducing the tax rate to 5%.

The Group has applied the option of reducing the tax amount by making an early security payment. Therefore, in 2023 the Group recognized a windfall tax liability in the amount of USD 58 million within both current income tax expense and current tax liability, which has been settled with the security payment advance at 31 December 2023.

11. Property, plant and equipment

(a) Accounting policy

(i) Recognition and measurement

Until 1 January 2016 all items of property, plant and equipment were measured at cost less accumulated depreciation and impairment losses. The cost of property, plant and equipment at 1 January 2004, the date of transition to IFRSs, was determined by reference to its fair value at that date. Since 1 January 2016 the Group's hydro assets are measured at a revalued amount.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost of periodic relining of electrolysers is capitalised and depreciated over the expected production period.

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within gain/(loss) on disposal of property, plant and equipment in profit or loss.

Hydro assets are a class of property, plant and equipment with unique nature and use in their hydropower plants. The Group's hydro assets are measured at a revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The valuation analysis is primarily based on the cost approach to determine depreciated replacement cost. This method considers the cost to reproduce or replace the property, plant and equipment, adjusted for physical depreciation, functional and economic obsolescence.

A revaluation increase on hydro assets is recognised directly under the heading of revaluation surplus in other comprehensive income. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A revaluation decrease on hydro assets is recognised in profit or loss. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus.

This policy requires management to make estimates and assumptions regarding both costs, as there is no active market for used assets of that type, and macroeconomic indicators to assess economic obsolescence which are subject to risk and uncertainty; hence there is a possibility that changes in circumstances will alter these estimates, which may impact the fair value of hydro assets. In such circumstances, the fair value of hydro assets may be lower with any consequential decrease in revaluation reserve recognised through other comprehensive income.

A class of assets may be revalued on a rolling basis provided that revaluations of the class of assets are completed within a short period and provided the revaluations are kept up to date.

(ii) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Exploration and evaluation assets

Exploration and evaluation activities involve the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation activities include:

- Researching and analysing historical exploration data;
- Gathering exploration data through topographical, geochemical and geophysical studies;
- Exploratory drilling, trenching and sampling;
- Determining and examining the volume and grade of the resource;
- Surveying transportation and infrastructure requirements; and
- Conducting market and finance studies.

Administration costs that are not directly attributable to a specific exploration area are charged to profit or loss.

License costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised over the term of the permit.

Exploration and evaluation expenditure is capitalised as exploration and evaluation assets when it is expected that expenditure related to an area of interest will be recouped by future exploitation, sale, or, at the reporting date, the exploration and evaluation activities have not reached a stage that permits a reasonable assessment of the existence of commercially recoverable ore reserves. Capitalised exploration and evaluation expenditure is recorded as a component of property, plant and equipment at cost less impairment losses. As the asset is not available for use, it is not depreciated. All capitalised exploration and evaluation expenditure is monitored for indications of impairment. Where there are indicators of potential impairment, an assessment is performed for each area of interest in conjunction with the group of operating assets (representing a cash-generating unit, CGU) to which the exploration is attributed. Exploration areas at which reserves have been discovered but which require major capital expenditure before production can begin are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway or planned. To the extent that capitalised expenditure is not expected to be recovered it is charged to profit or loss.

Exploration and evaluation assets are transferred to mining property, plant and equipment or intangible assets when development is sanctioned.

(iv) Stripping costs

Expenditure relating to the stripping of overburden layers of ore, including estimated site restoration costs, is included in the cost of production in the period in which it is incurred.

However, to the extent the benefit is improved access to ore, the Group recognises these costs as a non-current asset, if only: (a) it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the entity; (b) the entity can identify the component of the ore body for which access has been improved; and (c) the costs relating to the stripping activity associated with that component can be measured reliably.

(v) Mining assets

Mining assets are recorded as construction in progress and transferred to mining property, plant and equipment when a new mine reaches commercial production.

Mining assets include expenditure incurred for acquiring mineral and development rights and developing new mining operations.

Mining assets include interest capitalised during the construction period, when financed by borrowings.

(vi) Depreciation

The carrying amounts of property, plant and equipment (including initial and any subsequent capital expenditure) are depreciated to their estimated residual value over the estimated useful lives of the specific assets concerned, or the estimated life of the associated mine or mineral lease, if shorter. Estimates of residual values and useful lives are reassessed annually and any change in estimate is taken into account in the determination of remaining depreciation charges. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross amount of the assets, and the net amount is restated to the revalued amount of the asset.

The property, plant and equipment is depreciated on a straight-line or units of production basis over the respective estimated useful lives as follows:

• Hydro assets	predominantly 38 to 100 years;
• Buildings and constructions	10 to 50 years;
• Machinery and equipment	5 to 40 years;
• Electrolysers	4 to 15 years;
• Mining assets	Units of production on proved and probable reserves;
• Other	1 to 30 years.

(b) Disclosure

USD million	Land and buildings	Machinery and equipment	Electrolysers	Hydro assets	Mining assets	Construction in progress	Other	Total
Cost								
1 January 2023	**5,441**	**8,688**	**3,298**	**4,166**	**582**	**3,890**	**377**	**26,442**
Additions	25	68	–	–	49	1,403	12	**1,557**
Acquired through business combinations	–	5	–	–	–	–	–	**5**
Disposals	(231)	(374)	(1,938)	–	(42)	(88)	(6)	**(2,679)**
Transfers	416	496	179	15	19	(1,156)	31	**–**
Translation difference	(458)	(448)	(31)	(900)	(98)	(347)	(42)	**(2,324)**
At 31 December 2023	**5,193**	**8,435**	**1,508**	**3,281**	**510**	**3,702**	**372**	**23,001**
Additions	41	116	1	–	27	1,885	3	**2,073**
Disposals	(21)	(93)	(137)	(1)	(53)	(38)	(8)	**(351)**
Transfers	676	662	490	32	–	(1,931)	71	–
Revaluation of hydro assets as at 31 December2024	–	–	–	237	–	–	–	**237**
Translation difference	(261)	(259)	(23)	(394)	(46)	(199)	(24)	**(1,206)**
At 31 December 2024	**5,628**	**8,861**	**1,839**	**3,155**	**438**	**3,419**	**414**	**23,754**

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USD million	Land and buildings	Machinery and equipment	Electrolysers	Hydro assets	Mining assets	Construction in progress	Other	Total
Depreciation and impairment losses								
1 January 2023	**(3,182)**	**(6,944)**	**(2,814)**	**–**	**(538)**	**(1,061)**	**(296)**	**(14,835)**
Depreciation charge	(157)	(314)	(175)	(91)	(10)	–	(17)	**(764)**
Impairment losses	(2)	(74)	(22)	–	(25)	(177)	(4)	**(304)**
Disposals	221	350	1,938	–	6	46	4	**2,565**
Transfers and reclassifications	(91)	–	–	–	–	92	(1)	**–**
Translation difference	234	300	26	5	91	125	28	**809**
At 31 December 2023	**(2,977)**	**(6,682)**	**(1,047)**	**(86)**	**(476)**	**(975)**	**(286)**	**(12,529)**
Depreciation charge	(179)	(304)	(188)	(84)	7	–	(19)	**(767)**
(Impairment losses) / reversal of impairment	(110)	(190)	(93)	–	18	(235)	(7)	**(617)**
Disposals	9	80	137	–	–	2	7	**235**
Transfers and reclassifications	(54)	–	–	–	–	54	–	–
Revaluation of hydro assets as at 31 December2024	–	–	–	152	–	–	–	**152**
Translation difference	153	191	20	18	43	57	15	**497**
At 31 December 2024	**(3,158)**	**(6,905)**	**(1,171)**	**–**	**(408)**	**(1,097)**	**(290)**	**(13,029)**
Net book value								
At 1 January 2023	**2,259**	**1,744**	**484**	**4,166**	**44**	**2,829**	**81**	**11,607**
At 31 December 2023	**2,216**	**1,753**	**461**	**3,195**	**34**	**2,727**	**86**	**10,472**
At 31 December 2024	**2,470**	**1,956**	**668**	**3,155**	**30**	**2,322**	**124**	**10,725**

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In 2023 and 2024 the Group wrote off several fully depreciated objects of property, plant and equipment.

Depreciation expense of USD 684 million (2023: USD 707 million) has been charged to cost of goods sold, USD 10 million (2023: USD 6 million) to distribution expenses and USD 29 million (2023: USD 30 million) to administrative expenses.

Interest capitalised for the years ended 31 December 2024 and 31 December 2023 was USD 109 million and USD 60 million, respectively. The average capitalisation rate was 9.63% (2023: 7.49%).

Included in construction in progress at 31 December 2024 and 31 December 2023 are advances to suppliers of property, plant and equipment of USD 458 million and USD 249 million, respectively.

(c) Impairment

In accordance with the Group's accounting policies, each asset or cash generating unit is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of recoverable amount is performed and an impairment loss recognised to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (ie an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The Group generally determines fair value of the asset or cash generating unit as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal.

Value in use is also generally determined as the present value of the estimated future cash flows, but only those expected to arise from the continued use of the asset in its present form and its eventual disposal. Present values are determined using a risk-adjusted pre-tax discount rate appropriate to the risks inherent in the asset. Future cash flow estimates are based on expected production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors), bauxite reserve estimate, operating costs, restoration and rehabilitation costs and future capital expenditure.

Bauxite reserves are estimates of the amount of product that can be economically and legally extracted from the Group's properties. In order to calculate reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates. The Group determines ore reserves under the Australasian Code for Reporting of Mineral Resources and Ore Reserves September 1999, known as the JORC Code. The JORC Code requires the use of reasonable investment assumptions to calculate reserves.

Management identified that due to fluctuations of aluminium prices, increase of oil and gas prices, fluctuations of coal sale prices and overall market instability impairment loss may be recognised for a number of cash-generating units as well as previously recognised impairment loss may require reversal. For alumina cash generating units, major influence was from unfavourable dynamics in prices of energy resources being a significant part of cash cost.

For the purposes of impairment testing, value in use of each cash generating unit was determined by discounting expected future net cash flows of the cash generating unit. Values assigned to key assumptions and estimates used to measure the units' recoverable amount was based on external sources of information and historical data. Management believes that the values assigned to the key assumptions and estimates represented the most realistic assessment of future trends.

Metals

At 31 December 2024 and 31 December 2023 management identified several indicators that a number of the Group's CGUs may be impaired or that previously recognised impairment losses may need to be reversed.

Based on results of impairment testing as at 31 December 2024, management has concluded that a reversal of previously recognised impairment loss relating to property, plant and equipment should be recognised in these consolidated financial statements in respect of PGLZ, RUSAL BAZ and RUSAL UAZ in the amount of USD 47 million. Additionally management concluded that at the same date an impairment loss relating to property, plant and equipment of Taishet Aluminium Smelter, UC RUSAL Anode Plant, RUSAL KAZ and RUSAL Sayanal in the amount of USD 402 million should be recognised in these consolidated financial statements.

Based on results of impairment testing as at 31 December 2023, management has concluded that a reversal of previously recognised impairment loss relating to property, plant and equipment should be recognised in these consolidated financial statements in respect of RUSAL Sayanal, Kremny and Rusal Silicon Ural in the amount of USD 117 million. Additionally management concluded that at the same date an impairment loss relating to property, plant and equipment of Kubikenborg Aluminium (Kubal) and Taishet aluminium smelter in the amount of USD 270 million should be recognised in these consolidated financial statements.

Assumptions used to determine the recoverable amount of the cash generating units are the same as disclosed in note 12(d). The pre-tax discount rates applied to the above mentioned cash generating units, estimated in nominal terms based on an industry weighted average cost of capital, are presented in the table below.

	Year ended 31 December	
	2024	2023
Taishet aluminium smelter	19.8%	18.7%
RUSAL KAZ	21.6%	20.1%
RUSAL Sayanal	24.5%	21.9%
PGLZ	25.9%	16.6%
Kremny	21.1%	19.7%
RUSAL Silicon Ural	21.1%	19.8%
Kubal	14.3%	14.5%

The recoverable amounts of a number of the cash generating units tested for impairment are particularly sensitive to changes in forecast aluminium and alumina prices, foreign exchange rates and applicable discount rates.

The results of impairment testing of Taishet Aluminium Smelter and UC Rusal Anode Plant are particularly sensitive to the following key assumptions:

- Five percent reduction in the projected aluminium price level will result in a decrease in the recoverable amount of Taishet Aluminium Smelter and UC Rusal Anode Plant and will lead to an additional impairment in the total amount of USD 743 million;
- One percent increase in the discount rate applied will result in a decrease in the recoverable amount of Taishet Aluminium Smelter and UC Rusal Anode Plant and will lead to an additional impairment in the total amount of USD 478 million.

Additionally, management identified specific items of property, plant and equipment that are no longer in use and therefore are not considered to be recoverable amounting to USD 173 million at 31 December 2024 (2023: USD 111 million). These assets have been impaired in full. No further impairments of property, plant and equipment or reversal of previously recorded impairment were identified.

Power

At 31 December 2024 and 2023 management identified several indicators that property, plant and equipment of the Coal CHPs may be impaired.

Based on results of impairment testing as at 31 December 2024 and 31 December 2023, management concluded that no impairment losses should be recognised.

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The following key assumptions were used to determine the recoverable amount of the Coal CHPs CGU:

	Year ended 31 December	
	2024	2023
Electricity sales volumes in 2026/2025	39 mln MWh	36 mln MWh
Electricity sales prices in 2026/2025	USD 11-27 (RUB 1,077-2,724)	USD 7-27 (RUB 613-2,420)
Electricity sales prices growth till 2035/2034	71%-90%	42%-50%
Sales volumes of heat in 2026-2035/2025-2034	20 mln Gcal	20 mln Gcal
Heat tariffs in 2026/2025	USD 16 (RUB 1,607)	USD 16 (RUB 1,453)
Tariffs growth till 2035/2034	100%	48%
Pre-tax discount rate	13.9%-24.5%	15.6%-20.4%

The recoverable amount of Coal CHP CGU is particularly sensitive to changes in forecast electricity and coal sales prices, forecast of sales volumes as well as applicable discount rates.

Additionally, management identified specific items of property, plant and equipment that are not considered to be recoverable amounting to USD 81 million (2023: USD 41 million). No further impairment of property, plant and equipment or reversal of previously recorded impairments was identified.

(d) Security

The carrying value of property, plant and equipment pledged under the loan agreements was USD 112 million at 31 December 2024 (31 December 2023: USD 125 million) (note 17).

(e) Hydro assets

As at 31 December 2024 the independent appraiser estimated the fair value of hydro assets at USD 3,155 million.

As at 31 December 2023 the valuation by external independent appraiser was not performed because based on management's analysis, the fair value of hydro assets approximated their carrying amount at that date.

The valuation analysis as at 31 December 2024 was primarily based on the cost approach to determine depreciated replacement cost as it is the most reliable method to estimate value for assets that do not have an active market and do not generate an identifiable revenue stream by asset. This method considers the cost to reproduce or replace the property, plant and equipment, adjusted for physical depreciation, functional and economic obsolescence.

Depreciated replacement cost was estimated based on internal sources and, where available, analysis of the Russian and international markets for similar property, plant and equipment. Various market data were collected from published information, catalogues, statistical data etc.

In addition, cash flow testing was conducted to identify if there is any economic obsolescence of the hydro assets. Forecasts of net cash flows were determined based on the actual results for the preceding years and approved budgets. Based on the analysis results as at 31 December 2024 economic obsolescence of Onda HPP was recognised and included into results of valuation analysis. As at 31 December 2023 there was no economic obsolescence.

The fair value measurement for hydro assets have been categorised as Level 3 fair values based on the inputs to the valuation techniques used.

If the cost model is applied, net book value of hydro assets as at 31 December 2024 would be USD 312 million (31 December 2023: USD 328 million).

(f) Leases

The Group assesses whether a contract is or contains a lease based on whether the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment or modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for the leases of properties in which Group acts as a lessee, the Group does not separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group applies judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options, the assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

In determining the enforceable period (i.e. the minimum lease term), the Group considers whether both it and the lessor has a right to terminate the lease without permission from the other party and, if so, whether that termination would result in more than an insignificant penalty. If a more than insignificant penalty exists, then the enforceable period extends until the point at which a no more than an insignificant penalty exists.

The Group leases many assets, including land, properties and production equipment. The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability as required by IFRS 16.

The cost comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Group presents right-of-use assets as part of property plant and equipment in the same line item as it presents underlying assets of the same nature that it owns. Additions to right-of-use assets were in the amount of USD 20 million during the year ended 31 December 2024 (31 December 2023: USD 28 million). The carrying amounts of right-of-use assets are presented below.

	Property, plant and equipment		
USD million	**Land and buildings**	**Machinery and equipment**	**Total**
Balance at 1 January 2024	43	13	**56**
Balance at 31 December 2024	**37**	**24**	**61**

Total depreciation charges related to the right-of-use assets for the year ended 31 December 2024 amount to USD 18 million (31 December 2023: USD 19 million).

There was no impairment of right-of-use assets during the year ended 31 December 2024 (31 December 2023: USD 3 million reversed). The Group's total cash outflow for leases was in the amount of USD 29 million for the year ended 31 December 2024 (31 December 2023: USD 24 million).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

In accordance with IFRS 16 variable payments which do not depend on index or rate, e.g. which do not reflect changes in market rental rates, should not be included in the measurement of lease liability. In respect of municipal or federal land leases where lease payments are based on cadastral value of the land plot and do not change until the next revision of that value or the applicable rates (or both) by the authorities, the Group has determined that, under the current revision mechanism, the land lease payments cannot be considered as either variable that depend on index or rate or in-substance fixed, and therefore these payments are not included in the measurement of the lease liability. Future cash outflows to which the Group is potentially exposed that are not recognised in right-to-use assets and are not reflected in the measurement of lease liabilities and which arise from variable lease payments not linked to index or rate are in the amount of USD 159 million as at 31 December 2024 (31 December 2023: USD 136 million).

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The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group presents lease liabilities as part of other payables and other non-current liabilities in the statement of financial position depending on the period to which future lease payments relate. The total non-current part of lease liabilities as at 31 December 2024 amounted to USD 51 million (31 December 2023: USD 49 million).

Total interest costs on leases recognised for the year ended 31 December 2024 amount to USD 7 million (31 December 2023: USD 6 million).

The Group does not recognise right-of-use assets and lease liabilities for some leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The expense relating to short-term and low-value leases in the amount of USD 17 million is included in cost of sales or administrative expenses depending on type of underlying asset for the year ended 31 December 2024 (31 December 2023: USD 21 million).

When the Group is an intermediate lessor the sub-leases are classified with reference to the right-of the use asset arising from the head lease, not with reference to the underlying asset.

12. Goodwill and intangible assets

(a) Accounting policy

(i) Goodwill

On the acquisition of a subsidiary that comprises a business, the identifiable assets, liabilities and contingent liabilities of the acquired business (or interest in a business) are recognised at their fair values. Where the fair values of assumed contingent liabilities cannot be measured reliably, no liability is recognised but the contingent liability is disclosed in the same manner as for other contingent liabilities.

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If concentration test is met the acquired set of activities and assets is not a business.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

Goodwill arises when the cost of acquisition exceeds the Group's interest in the net fair value of identifiable net assets acquired. The Group measures goodwill at the acquisition date as the fair value of the consideration transferred; plus the recognised amount of any non-controlling interests in the acquiree less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Goodwill is not amortised but is tested for impairment annually. For this purpose, goodwill arising on a business combination is allocated to the cash-generating units expected to benefit from the acquisition and any impairment loss recognised is not reversed even where circumstances indicate a recovery in value.

When the Group's share in the fair value of identifiable net assets acquired exceeds the cost of acquisition, the difference is recognised immediately in the statement of income.

In respect of associates or joint ventures, the carrying amount of goodwill is included in the carrying amount of the interest in the associate and joint venture and the investment as a whole is tested for impairment whenever there is objective evidence of impairment. Any impairment loss is allocated to the carrying amount of the interest in the associate and joint venture.

(ii) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use and capitalised borrowing costs. Other development expenditure is recognised in profit or loss when incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

(iii) Other intangible assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

(iv) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss when incurred.

(v) Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives are as follows:

- Software 5 years;
- Other intangible assets 2-8 years.

The amortisation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

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(b) Disclosure

USD million	**Goodwill**	**Other intangible assets**	**Total**
Cost			
Balance at 1 January 2023	**2,669**	**653**	**3,322**
Additions	6	37	**43**
Disposals	–	(8)	**(8)**
Foreign currency translation	(292)	(33)	**(325)**
Balance at 31 December 2023	**2,383**	**649**	**3,032**
Additions	–	49	**49**
Disposals	(10)	(13)	**(23)**
Foreign currency translation	(114)	(16)	**(130)**
Balance at 31 December 2024	**2,259**	**669**	**2,928**
Amortisation and impairment losses			
Balance at 1 January 2023	**(449)**	**(456)**	**(905)**
Amortisation charge	–	(22)	**(22)**
(Impairment)/reversal of impairment	(48)	3	**(45)**
Disposals	–	7	**7**
Foreign currency translation	–	19	**19**
Balance at 31 December 2023	**(497)**	**(449)**	**(946)**
Amortisation charge	–	(30)	**(30)**
(Impairment)/reversal of impairment	(51)	1	**(50)**
Disposals	–	9	**9**
Foreign currency translation	–	10	**10**
Balance at 31 December 2024	**(548)**	**(459)**	**(1,007)**
Net book value			
At 1 January 2023	**2,220**	**197**	**2,417**
At 31 December 2023	**1,886**	**200**	**2,086**
At 31 December 2024	**1,711**	**210**	**1,921**

(c) Amortisation charge

The amortisation charge is included in cost of sales and administrative expenses in consolidated statement of profit or loss and other comprehensive income.

(d) Impairment testing of goodwill and other intangible assets

For the purposes of impairment testing, goodwill is allocated to following CGUs listed below. These units represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill allocated to each business, and the related impairment losses recognised, are as follows:

USD million	**Allocated goodwill 2024**	**Accumulated impairment loss 2024**	**Allocated goodwill 2023**	**Accumulated impairment loss 2023**
Aluminium Group of CGUs (Metals)	2,014	(548)	2,156	(497)
Angara HPPs (Power)	245	–	227	–
	2,259	**(548)**	**2,383**	**(497)**

Metals

The Aluminium Group of CGUs represents the lowest level within Metals segment at which goodwill is monitored for internal management purposes. The recoverable amount represents value in use as determined by discounting the future cash flows generated from the continuing use of the plants within UC RUSAL's aluminium segment. Management performs impairment testing of goodwill annually at 31 December of the respective calendar year.

Similar considerations to those described above in respect of assessing the recoverable amount of property, plant and equipment apply to goodwill.

At 31 December 2024, management analysed changes in the economic environment and developments in the aluminium industry and the Group's operations since 31 December 2023 and performed an impairment test for goodwill at 31 December 2024 using the following assumptions to determine the recoverable amount of the Aluminium Group of CGUs:

- Total production was estimated based on average sustainable production levels of 3.8 million metric tonnes of primary aluminium, of 5.5 million metric tonnes of alumina and of 19 million metric tonnes of bauxite. Bauxite and alumina will be used primarily internally for production of primary aluminium;
- The aluminium and alumina prices were based on the long-term aluminium and alumina price outlook derived from available industry and market sources and were as follows:

	2025	2026	2027	2028	2029
Aluminium sales prices, based on the long-term aluminium price outlook, USD per tonne	2,566	2,583	2,586	2,620	2,657
Alumina sales prices, based on the long-term alumina price outlook, USD per tonne	530	418	409	415	430
Nominal foreign currency exchange rates, RUB per 1 USD	102.52	106.36	109.26	114.04	117.90
Inflation in RUB	10.38%	8.91%	7.46%	6.46%	5.46%
Inflation in USD	2.41%	2.36%	2.39%	2.0%	2.0%

- Operating costs were projected based on the historical performance adjusted for inflation. Nominal foreign currency exchange rates applied to convert operating costs of the Group denominated in RUB into USD and inflation in RUB and USD assumed in determining recoverable amounts were as above;
- The pre-tax discount rate was estimated in nominal terms based on the weighted average cost of capital basis and was 21.72%;
- A terminal value was derived following the forecast period assuming a 2.0% annual growth rate.

Values assigned to key assumptions and estimates used to measure the units' recoverable amount were based on external sources of information and historic data. Management believes that the values assigned to the key assumptions and estimates represented the most realistic assessment of future trends. The results were particularly sensitive to the following key assumptions:

- A 5% reduction in the projected aluminium and alumina price levels would result in a decrease in the recoverable amount by 13% but would not lead to an impairment;
- A 5% increase in the projected level of electricity costs in the aluminium production would have resulted in a 5% decrease in the recoverable amount but would not lead to an impairment;
- A 1% increase in the discount rate would have resulted in a 6% decrease in the recoverable amount but would not lead to an impairment.

Based on results of impairment testing of goodwill, management concluded that no impairment regarding Aluminium Group of CGUs should be recorded in the consolidated financial statements as at 31 December 2024.

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At 31 December 2023, management analysed changes in the economic environment and developments in the aluminium industry and the Group's operations since 31 December 2022 and performed an impairment test for goodwill at 31 December 2023 using the following assumptions to determine the recoverable amount of the Aluminium Group of CGUs:

- Total production was estimated based on average sustainable production levels of 4.0 million metric tonnes of primary aluminium, of 5.6 million metric tonnes of alumina and of 16.2 million metric tonnes of bauxite. Bauxite and alumina will be used primarily internally for production of primary aluminium;
- The aluminium and alumina prices were based on the long-term aluminium and alumina price outlook derived from available industry and market sources and were as follows:

	2024	2025	2026	2027	2028
Aluminium sales prices, based on the long-term aluminium price outlook, USD per tonne	2,283	2,434	2,538	2,575	2,529
Alumina sales prices, based on the long-term alumina price outlook, USD per tonne	343	345	353	364	370
Nominal foreign currency exchange rates, RUB per 1USD	91.12	92.36	93.98	94.56	95.14
Inflation in RUB	7.0%	5.3%	4.7%	4.2%	4.0%
Inflation in USD	2.8%	2.3%	2.3%	2.0%	2.0%

- Operating costs were projected based on the historical performance adjusted for inflation. Nominal foreign currency exchange rates applied to convert operating costs of the Group denominated in RUB into USD and inflation in RUB and USD assumed in determining recoverable amounts were as above;
- The pre-tax discount rate was estimated in nominal terms based on the weighted average cost of capital basis and was 20.28%;
- A terminal value was derived following the forecast period assuming a 2.0% annual growth rate.

Values assigned to key assumptions and estimates used to measure the units' recoverable amount were based on external sources of information and historic data. Management believes that the values assigned to the key assumptions and estimates represented the most realistic assessment of future trends. The results were particularly sensitive to the following key assumptions:

- A 5% reduction in the projected aluminium and alumina price levels would result in a decrease in the recoverable amount by 18% but would not lead to an impairment;
- A 5% increase in the projected level of electricity costs in the aluminium production would have resulted in a 8% decrease in the recoverable amount but would not lead to an impairment;
- A 1% increase in the discount rate would have resulted in a 8% decrease in the recoverable amount but would not lead to an impairment.

Based on results of impairment testing of goodwill, management concluded that no impairment regarding Aluminium Group of CGUs should be recorded in the consolidated financial statements as at 31 December 2023.

Power

At Power segment goodwill primarily resulted from the acquisition of Angara HPPs. For the purposes of impairment testing, goodwill is allocated to the Angara HPPs CGU. It represents the lowest level within the Group at which goodwill is monitored for internal management purposes.

Management performs impairment testing of goodwill annually at 31 December of the respective calendar year.

The recoverable amount of Angara HPPs in 2024 and 2023 was determined by reference to their value in use derived by discounting of the future cash flows generated from continuing use of production facilities.

The following key assumptions were used to determine the recoverable amount of the Angara HPPs cash-generating unit at 31 December 2024:

- The sales volumes were projected based on the approved budgets for 2025. In particular, the sales volumes of electricity in 2025 were planned at the level of 56 million MWh with a decline by 11% till 2034;
- Sales prices were based on the long-term price outlook derived from the available industry and market sources. The prices for electricity were estimated at the levels of USD 0.7-13.2 (RUB 69-1,339) per MWh depending on market segment in 2025 and increased by 64-78% respectively till 2034. Operating costs were projected based on the historical performance and the anticipated increase during the projected period was in line with inflation;
- The pre-tax discount rate was estimated in nominal terms based on the weighted average cost of capital amounted to 13.9%-24.5%;
- A terminal value was derived following the forecast period assuming a 4% annual growth rate.

The following key assumptions were used to determine the recoverable amount of the Angara HPPs cash-generating unit at 31 December 2023:

- The sales volumes were projected based on the approved budgets for 2024. In particular, the sales volumes of electricity in 2024 were planned at the level of 58 million MWh with a decline by 15% till 2033;
- Sales prices were based on the long-term price outlook derived from the available industry and market sources. The prices for electricity were estimated at the levels of USD 0.6-12.0 (RUB 57-1,526) per MWh depending on market segment in 2024 and increased by 43-56% respectively till 2033. Operating costs were projected based on the historical performance and the anticipated increase during the projected period was in line with inflation;
- The pre-tax discount rate was estimated in nominal terms based on the weighted average cost of capital amounted to 15.6%-20.4%;
- A terminal value was derived following the forecast period assuming a 4% annual growth rate.

Reasonable possible changes in key assumptions did not lead to an impairment in either 2024 or 2023.

13. Interests in associates and joint ventures

An associate is an entity in which the Group has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group and other parties contractually agree to share control of the arrangement and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment losses relating to the investment. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss and other comprehensive income within profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the other comprehensive income, the Group's share of the post-acquisition results recorded directly in the statement of changes in equity is recognized in the consolidated statement of changes in equity as the share of other changes in equity of associate.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee.

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Unrealised profits and losses resulting from transactions between the Group and its associates and joint venture are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

An impairment loss in respect of an investment in an associate or joint venture is calculated as the difference between its carrying amount after application of the equity method of accounting and its recoverable amount. The recoverable amount of such investment is the greater of its value in use and its fair value less cost to sell. In determining the value in use of the investment the Group estimates: (a) its share of the present value of the estimated future cash flows expected to be generated by the investee, including the cash flows from the operations of the investee and the proceeds on the ultimate disposal of the investment; or (b) the present value of the estimated future cash flows expected to arise from the dividends to be received from the investee and from its ultimate disposal depending on which available information with respect to each investee is more reliable. An impairment loss is reversed to the extent that the recoverable amount of the investment subsequently increases and the resulting carrying amount does not exceed the carrying amount that would have been determined, after application of the equity method, had no impairment loss previously been recognised.

	31 December					
	2024			**2023**		
	USD million			**USD million**		
	Investments in joint ventures	**Investments in associates**	**Total**	**Investments in joint ventures**	**Investments in associates**	**Total**
Balance at the beginning of the year	**871**	**3,671**	**4,542**	**908**	**4,286**	**5,194**
Acquisition of Hebei Wenfeng New Materials Co., Ltd	316	–	316	–	–	–
Group's share of profits	216	347	563	123	629	752
Contribution to a joint venture	22	–	22	5	–	5
Dividends	(34)	–	(34)	–	(398)	(398)
Foreign currency translation	(98)	(402)	(500)	(165)	(846)	(1,011)
Unrealised loss	(3)	–	(3)	–	–	–
Balance at the end of the year	**1,290**	**3,616**	**4,906**	**871**	**3,671**	**4,542**
Goodwill included in interests in associates/joint ventures	84	1,801	1,885	–	1,982	1,982

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The following list contains only the particulars of associates and joint ventures, all of which are corporate entities, which principally affected the results or assets of the Group.

Name of associate / joint venture	Place of incorporation and operation	Particulars of issued and paid up capital	Proportion of ownership interest: Group's effective interest*	Proportion of ownership interest: Group's nominal interest	Principal activity
PJSC MMC Norilsk Nickel	Russian Federation	15,286,339,700 shares, RUB 1 par value	15.01%	26.39%	Nickel and other metals production
Queensland Alumina Limited	Australia	2,212,000 shares, AUD 2 par value	11.38%	20%	Production of alumina under a tolling agreement
BEMO project	Cyprus, Russian Federation	BOGES Limited and BALP Limited – 10,000 shares EUR 1.71 each	28.44%	50%	Power / aluminium production
Hebei Wenfeng New Materials Co., Ltd	China	Total registered share capital of RMB 5,521,000,000	17.06%	30%	Alumina production

* Interest attributable to the shareholders of the Parent Company.

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The summary of the consolidated financial statements of associates and joint ventures for the year ended 31 December 2024 is presented below:

	Non-current assets		Current assets		Non-current liabilities		Current liabilities		Net assets	
	Group share	100%	Group share	100%	Group share	100%	Group share	100%	Group share	100%
PJSC MMC Norilsk Nickel	5,788	16,325	1,806	6,845	(2,416)	(9,154)	(1,562)	(5,919)	3,616	8,097
Queensland Alumina Limited	177	650	29	143	(70)	(312)	(136)	(684)	–	(203)
BEMO project	1,177	2,240	321	662	(638)	(1,277)	(208)	(417)	652	1,208
Hebei Wenfeng New Materials Co., Ltd	451	1,220	297	990	(225)	(751)	(89)	(296)	434	1,163
Other associates and joint ventures	244	561	133	296	(33)	(68)	(137)	(270)	207	519

	Revenue		Profit/(loss) from continuing operations		Other comprehensive (loss)/income		Total comprehensive (loss)/income	
	Group share	100%	Group share	100%	Group share	100%	Group share	100%
PJSC MMC Norilsk Nickel	3,308	12,535	347	1,815	(402)	(1,020)	(55)	795
Queensland Alumina Limited	120	601	–	(250)	–	11	–	(239)
BEMO project	500	1	93	240	(85)	(171)	8	69
Hebei Wenfeng New Materials Co., Ltd	577	2,441	138	558	2	(15)	140	543
Other associates and joint ventures	287	814	(15)	(10)	(15)	(25)	(30)	(35)

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The summary of the consolidated financial statements of associates and joint ventures for the year ended 31 December 2023 is presented below

	Non-current assets		Current assets		Non-current liabilities		Current liabilities		Net assets	
	Group share	100%	Group share	100%	Group share	100%	Group share	100%	Group share	100%
PJSC MMC Norilsk Nickel	5,952	16,238	1,938	7,342	(1,888)	(7,154)	(2,331)	(8,831)	3,671	7,595
Queensland Alumina Limited	189	971	29	146	(80)	(388)	(138)	(693)	–	36
BEMO project	1,228	2,287	158	304	(676)	(1,352)	(50)	(101)	660	1,138
Other associates and joint ventures	256	597	141	328	(100)	(202)	(86)	(175)	211	548

	Revenue		Profit/(loss) from continuing operations		Other comprehensive loss		Total comprehensive (loss)/income	
	Group share	100%	Group share	100%	Group share	100%	Group share	100%
PJSC MMC Norilsk Nickel	3,803	14,409	629	2,870	(846)	(1,856)	(217)	1,014
Queensland Alumina Limited	118	592	–	(20)	–	–	–	(20)
BEMO project	516	1,031	93	193	(162)	(324)	(69)	(131)
Other associates and joint ventures	292	836	30	82	(3)	(3)	27	79

(a) PJSC MMC Norilsk Nickel

The Group's investment in Norilsk Nickel is accounted for using equity method and the carrying value as at 31 December 2024 and 31 December 2023 amounted USD 3,616 million and USD 3,671 million, respectively.

The Group's share of profit of Norilsk Nickel was USD 347 million, the foreign currency translation loss was USD 402 million for the year ended 31 December 2024.

The Group's share of profit of Norilsk Nickel was USD 629 million, the foreign currency translation loss was USD 846 million for the year ended 31 December 2023.

The fair value of the investment amounted USD 4,585 million and USD 7,273 million as at 31 December 2024 and 31 December 2023, respectively, and is determined by multiplying the quoted bid price per share on the Moscow Exchange on the year-end date by the number of shares held by the Group.

(b) Queensland Alumina Limited

The carrying value of the Group's investment in Queensland Alumina Limited as at both 31 December 2024 and 31 December 2023 amounted to USD nil million. At 31 December 2024 management has not identified any impairment reversal indicators relating to the Group's investment in QAL and as a result no detailed impairment testing was performed in relation to this investment.

(c) BEMO project

The carrying value of the Group's investment in BEMO project as at 31 December 2024 and 31 December 2023 amounted USD 652 million and USD 660 million, respectively.

For the purposes of impairment testing, the BEMO project was separated into two cash generating units – the Boguchansky Aluminium Smelter ("BoAZ") and the Boguchansky Hydro Power Plant ("BoGES"). The recoverable amount was determined by discounting the expected future net cash flows of each cash generating unit.

At 31 December 2024 management has not identified any impairment indicators relating to the Group's investment in BoGES as well as any impairment reversal indicators relating to investments in BoAZ and as a result no detailed impairment testing was performed in relation to this investment.

At 31 December 2024, accumulated losses of USD 43 million (2023: USD 57 million) related to BoAZ have not been recognised because the Group's investment has already been fully written down to USD nil million.

Summary of the additional financial information of the Group's effective interest in BEMO project for the year ended 31 December 2024 and 31 December 2023 is presented below (all in USD million):

	31 December 2024 USD million	31 December 2023 USD million
Cash and cash equivalents	69	43
Current financial liabilities	(2)	(1)
Non-current financial liabilities	(509)	(548)
Depreciation and amortisation	(44)	(54)
Interest income	7	3
Income tax expense	(24)	(29)

(d) Hebei Wenfeng New Materials Co., Ltd ("HWNM")

In October 2023 Metals segment entered into a share-purchase agreement to acquire 30% interest in the share capital of Hebei Wenfeng New Materials Co., Ltd. – the alumina production plant, located in China. All rights attached to the interest acquired were transferred to the Group in April 2024, therefore the Group recognized the investment in its consolidated financial statements for the year ended 31 December 2024. The initial consideration paid comprised USD 264 million and was further adjusted to USD 316 million in accordance with the certain conditions of the share purchase agreement.

The Group finalized the valuation process of the fair value of the Group's share in the investment's net assets as of the date of acquisition of the investment, which amounted to USD 238 million. Accordingly, the goodwill which arose on the acquisition of the investment amounted to USD 78 million and was included in the carrying amount of the investment in HWNM in accordance with IAS 28 *Investments in Associates and Joint Ventures*.

Most significant decisions on relevant activities of the investment shall be made by resolution approved unanimously by all Board members or all shareholders. Accordingly, the Group concluded that it has joint control over the HWNM. Based on analysis of the relevant facts the management of the Group concluded that, in substance, the arrangement gives the investors rights to its net assets. Therefore it has determined that the Group's investment in HWNM should be accounted for as a joint venture rather than a joint operation.

Simultaneously, the Group entered into several put and call option agreements with the seller of the investment with the aim to protect the Group's or the seller's interests in the investment. Mostly, exercise of these options are subject to occurrence of specific corporate events, which are not under the Group's control and are hard to predict. These options did not affect the classification of the investment as a joint venture.

14. Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is determined under the weighted average cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses.

Production costs include mining and concentrating costs, smelting, treatment and refining costs, other cash costs and depreciation and amortisation of operating assets.

	31 December	
	2024 USD million	2023 USD million
Raw materials and consumables	1,054	1,404
Work in progress	860	779
Finished goods and goods for resale	2,544	1,392
	4,458	**3,575**

Inventories at 31 December 2024 and 31 December 2023 are stated at the lower of cost and net realizable value.

There were no inventories pledged as at 31 December 2024 and 31 December 2023.

15. Non-derivative financial instruments

Non-derivative financial instruments comprise investments in securities, trade and other receivables (excluding prepayments and tax assets), cash and cash equivalents, loans and borrowings and trade and other payables (excluding advances received and tax liabilities).

Non-derivative financial instruments, except for trade and other receivables, are recognised initially at fair value plus any directly attributable transaction costs. Trade and other receivables are recognised at transaction price.

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

IFRS 9 *Financial Instruments* sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. The details of significant accounting policies are set out below.

Classification and measurement of financial assets and financial liabilities

IFRS 9 specifies three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never bifurcated. Instead, the hybrid financial instrument as a whole is assessed for classification.

The Group's financial assets mostly fall within the category of financial assets measured at amortised cost. The only exception is derivative financial assets measured at fair value through profit or loss and cash flow hedges accounted through other comprehensive income (note 19) and other investments measured at fair value through profit or loss (note 15(h)). The Group's financial liabilities fall within category of financial liabilities measured at amortised cost

(a) Impairment of trade receivables

Under IFRS 9, loss allowances (expected credit losses – "ECL") are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition. The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due for Metals segment and more than 90 days past due for Power segment.

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due for Metals segment and more than 180 days past due for Power segment, but additional analysis is conducted for each such receivable and assessment is updated accordingly.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset in case of long-term assets.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Impairment losses related to trade and other receivables are presented as part of net other operating expenses.

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The following analysis provides further detail about the calculation of ECLs related to trade receivables. The Group uses an allowance matrix to measure the ECLs of trade receivables from the customers. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. The ECLs were calculated based on actual credit loss experience over the past two years. The Group performed the calculation of ECL rates separately for the customers of each key trading company of the Group. Exposures within each trading company were not further segmented except for individually significant customers which bear specific credit risk depending on the repayment history of the customer and relationship with the Group.

Metals

The following table provides information about determined ECLs rates for trade receivables both as at 31 December 2023 and 31 December 2024.

	Weighted-average loss rate		
	31 December 2024	**31 December 2023**	**Credit-impaired**
Current (not past due)	4%	1%	No
1-30 days past due	25%	21%	No
31-60 days past due	68%	73%	No
61-90 days past due	59%	93%	No
More than 90 days past due	66%	47%	Yes

Power

The following table provides information about determined ECLs rates for trade receivables both as at 31 December 2023 and 31 December 2024.

	Weighted-average loss rate		
	31 December 2024	**31 December 2023**	**Credit-impaired**
Current (not past due)	1%	1%	No
1-90 days past due	1%	1%	No
90-180 days past due	30%	30%	No
More than 180 days past due	100%	100%	Yes

Fluctuations reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

(b) Trade and other receivables

	31 December	
	2024	**2023**
	USD million	**USD million**
Trade receivables from third parties	1,143	1,127
Trade receivables from related parties, including	381	45
Related parties – companies capable of exerting significant influence	*25*	*33*
Related parties – associates and joint ventures	*356*	*12*
Other receivables from third parties	234	192
Other receivables from related parties, including	1	–
Related parties – associates and joint ventures	1	–
Dividends receivable from related parties	29	412
Related parties – associates and joint ventures	*29*	*412*
Other current assets	40	27
	1,828	**1,803**
Impairment of receivables	(105)	(80)
	1,723	**1,723**

(i) Ageing analysis

Included in trade and other receivables are trade receivables (net of allowance for doubtful debts) with the following ageing analysis as of the statement of financial position dates:

Metals

	31 December 2024 USD million	31 December 2023 USD million
Current	**1,146**	**804**
Past due 1-30 days	9	29
Past due 31-60 days	1	1
Past due 61-90 days	1	–
Past due over 90 days	44	65
Amounts past due	**55**	**95**
	1,201	**899**

Power

	31 December 2024 USD million	31 December 2023 USD million
Current	**184**	**175**
Past due 1-30 days	17	12
Past due 31-60 days	9	5
Past due 61-90 days	5	2
Past due 91-180 days	11	5
Past due over 180 days	1	1
Amounts past due	**43**	**25**
	227	**200**

Trade receivables are on average due within 90 days from the date of billing. The receivables that are neither past due nor impaired (i.e. current) relate to a wide range of customers for whom there was no recent history of default.

Further details of the Group's credit policy are set out in note 20(e).

(c) Prepayments and VAT recoverable

	31 December 2024 USD million	31 December 2023 USD million
VAT recoverable	539	397
Advances paid to third parties	246	214
Advances paid to related parties, including	133	87
Related parties – associates and joint ventures	*133*	*87*
Other taxes receivable	23	30
	941	**728**
Impairment of prepayments and VAT recoverable	(138)	(135)
	803	**593**

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(d) Trade and other payables

	31 December 2024 USD million	31 December 2023 USD million
Accounts payable to third parties	1,125	867
Accounts payable to related parties, including	270	161
Related parties – companies capable of exerting significant influence	*5*	*7*
Related parties – associates and joint ventures	*265*	*154*
Other payables and accrued liabilities	300	288
Dividends payable	5	5
Income tax payable	61	48
	1,761	**1,369**

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

(e) Advances received

	31 December 2024 USD million	31 December 2023 USD million
Advances received from third parties	544	339
	544	**339**

Advances received represent contract liabilities to perform obligations under contracts with customers. Advances received are short-term and revenue in respect of the contract liabilities recognized as at the reporting date is fully recognized during next twelve months.

(f) Cash and cash equivalents

	31 December 2024 USD million	31 December 2023 USD million
Bank balances, CNY	849	792
Bank balances, RUB	312	617
Bank balances, AED	122	–
Bank balances, EUR	52	163
Bank balances, USD	40	166
Bank balances, other currencies	32	30
Cash in transit	56	–
Short-term bank deposits, USD	163	349
Short-term bank deposits, RUB	216	106
Short-term bank deposits, EUR	32	103
Short-term bank deposits, CNY	6	13
Other cash equivalents	1	6
Cash and cash equivalents in the consolidated statement of cash flows	**1,881**	**2,345**
Restricted cash	2	2
Cash and cash equivalents in the consolidated statement of financial position	**1,883**	**2,347**

(g) Other non-current assets

	31 December 2024 USD million	31 December 2023 USD million
Long-term deposits	123	124
Prepayment for a joint venture acquisition (note 13)	–	13
Other non-current assets	140	166
	263	**303**

(h) Investments in equity securities measured at fair value through profit and loss

As at 31 December 2024 and 31 December 2023 the Group's effective interest in RusHydro shares was 9.73% (nominal 9.64%). Investment is treated as equity securities measured at fair value through profit and loss. There were no acquisitions/disposals of the equity securities of RusHydro during 2024.

Fair value is estimated in accordance with Level 1 of the fair value hierarchy. The market value was determined by multiplying the quoted bid price per share on the Moscow Exchange on reporting date by the number of shares held by the Group.

16. Equity

(a) Share capital, additional paid-in capital and transactions with shareholders

As at 31 December 2024 and 31 December 2023 the Parent Company's share capital is divided into 638,848,896 ordinary shares with a nominal value of USD 0.00007 each. The Parent Company may also issue 75,436,818.286 ordinary shares.

As at 31 December 2024 and 31 December 2023 all issued ordinary shares were fully paid.

Change in effective interest in subsidiaries

In 2023 the Group acquired part of the non-controlling interest in certain Group subsidiaries for the total consideration of USD 3 million.

(b) Other reserves

Other reserves represents the cost of Parent Company's shares owned by the special financial organisation (under IFRS due to specific provisions of the contracts shares disposed in 2023 were not derecognised by the Group), the cumulative unrealised actuarial gains and losses on the Group's defined post-retirement benefit plans, the effective portion of the accumulated net change in fair value of cash flow hedges and the Group's share of other comprehensive income of associates.

(c) Currency translation reserve

The currency translation reserve comprises all foreign exchange differences arising from the translation of the consolidated financial statements of foreign subsidiaries, associates and joint ventures. The reserve is dealt with in accordance with the accounting policies set out in note 3(b).

(d) Dividends

During the years ended 31 December 2024 and 31 December 2023 the Parent Company did not declare and pay dividends.

The Parent Company may distribute dividends from retained earnings and profit for the reporting period in compliance with the current legislation of the Russian Federation and the provisions of its Charter.

(e) Revaluation reserve

The revaluation reserve comprises the cumulative net change in the fair value of hydro assets at the reporting date and is dealt with in accordance with the accounting policies set out in note 11(a)(i).

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An independent valuation analysis of hydro assets was carried out as at 31 December 2024, the fair value of hydro assets was estimated at USD 3,155 million (note 11(e)). Additionally as at 31 December the Group accrued deferred tax liabilities on revaluation of hydro assets to account for the increase in the income tax rate from 1 January 2025 (note 10(a)). As a result of these changes, the Group recognised an additional revaluation reserve in the amount of USD 145 million net of tax.

(f) Non-controlling interests

USD million	UC RUSAL 2024	Other subsidiaries 2024	Total 2024	UC RUSAL 2023	Other subsidiaries 2023	Total 2023
Carrying amount of NCI	**4,628**	**110**	**4,738**	**4,541**	**119**	**4,660**
Profit/(loss) attributable to NCI	346	6	**352**	122	(2)	**120**
Other comprehensive loss attributable to NCI	(260)	(14)	**(274)**	(679)	(34)	**(713)**
Total comprehensive income/(loss)	**86**	**(8)**	**78**	**(557)**	**(36)**	**(593)**

The following table summarises the information relating to the UC RUSAL which has material non-controlling interest:

USD million	UC RUSAL 2024	UC RUSAL 2023
NCI percentage	**43.1%**	**43.1%**
Assets	21,717	20,980
Liabilities	(10,985)	(10,448)
Net assets	**10,732**	**10,532**
Carrying amount of NCI	4,628	4,541
Revenue	12,082	12,213
Profit	803	282
Other comprehensive loss	(603)	(1,575)
Total comprehensive income/(loss)	**200**	**(1,293)**
Profit attributable to NCI	346	122
Other comprehensive loss attributable to NCI	(260)	(679)
Cash flows from operating activities	483	1,760
Cash flows used in investing activities	(1,078)	(1,030)
Cash flows from/(used in) financing activities	113	(1,747)
Net decrease in cash and cash equivalents	**(482)**	**(1,017)**

17. Loans and borrowings

This note provides information about the contractual terms of the Group's loans and borrowings. For more information about the Group's exposure to interest rate and foreign currency risk refer to notes 20(c)(ii) and 20(c)(iii), respectively.

	31 December 2024 USD million	31 December 2023 USD million
Non-current liabilities		
Secured bank loans	2,434	3,366
Unsecured bank loans	1,067	1,499
Unsecured company loans from related parties	36	–
Bonds	1,446	3,612
	4,983	**8,477**

	31 December	
	2024	2023
	USD million	USD million
Current liabilities		
Current portion of secured bank loans	304	957
Current portion of unsecured bank loans	19	8
Current portion of bonds	3,123	615
	3,446	**1,580**
Secured bank loans	527	367
Unsecured bank loans	1,592	500
Unsecured company loans from related parties	69	–
Interest payable	147	140
	2,335	**1,007**
	5,781	**2,587**

(a) Loans and borrowings

	31 December	
	2024	2023
	USD million	USD million
Non-current liabilities		
Secured bank loans		
Variable		
RUB – CBR + 1.50%	935	1,235
RUB – CBR + 2.00%	–	280
RUB – CBR + 2.20%	72	–
RUB – CBR + 3.15%	214	148
RUB – CBR + 5.95%	118	–
RUB – 30%CBR + 2.35%	7	–
Fixed		
CNY – fixed at 4.75%	1,042	1,662
RUB – fixed at 3.00%	46	41
	2,434	**3,366**
Unsecured bank loans		
Variable		
RUB – CBR + 1.8%	–	155
RUB – CBR + 1.85%	27	–
RUB – CBR + 1.95%-2.25%	24	79
RUB – CBR + 2.45%	492	–
RUB – CBR + 3.00%	91	48
RUB – CBR + 3.15%	29	–
EUR – 6M Euribor + 0.45%-0.67%	20	28
CNY – LPR1Y +1.60%	–	354
CNY – LPR1Y +3.1%	333	–
Fixed		
RUB – fixed at 3.00%	7	11
CNY – fixed at 3.75%	–	774
CNY – fixed at 4.70%	40	50
RUB – other	4	–
	1,067	**1,499**
Unsecured company loans from related parties		
RUB/KZT – other	36	–
Bonds	1,446	3,612
	4,983	**8,477**

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	31 December	
	2024	2023
	USD million	USD million
Current liabilities		
Current portion of secured bank loans		
Variable		
RUB – CBR + 1.50%	257	381
RUB – CBR + 2.20%	26	–
RUB – CBR + 3.15%	4	16
RUB – CBR + 5.95%	15	–
RUB – 30% CBR + 2.35%	1	–
Fixed		
CNY – fixed at 4.75%	–	553
RUB – fixed at 3.00%	1	7
	304	**957**
Current portion of unsecured bank loans		
Variable		
RUB – CBR + 3.00%	6	–
EUR – 6M Euribor + 0.45-0.67%	6	7
Fixed		
RUB – other	–	1
CNY – 4.7%	7	–
	19	**8**
Secured bank loans		
Variable		
USD – Term SOFR + Spread + 2.10%	1	339
USD – Term SOFR + Spread + 1.70%	–	25
Fixed		
RUB – fixed at 3.00%	4	3
CNY – fixed at 4.75%	522	–
	527	**367**
Unsecured bank loans		
Variable		
RUB – CBR + 1.50%-1.98%	302	69
RUB – CBR + 2.00%-2.50%	403	53
RUB – CBR + 4%-6%	1	–
CNY – LPR1Y +2.75%	–	374
Fixed		
RUB – fixed at 18.75%	–	4
CNY – fixed at 5.25%	729	–
RUB – fixed at 13.15%	25	–
RUB – fixed at 7.95%	132	–
	1,592	**500**
Unsecured company loans from related parties		
RUB/KZT other	69	–
	69	**–**
Interest payable	147	140
Bonds	3,123	615
	5,458	**1,622**
	5,781	**2,587**

The bank loans are secured as at 31 December 2024 and 31 December 2023 by the following:

- Properties, plant and equipment – refer to note 11(d);
- Shares of the Group companies as described below.

As at 31 December 2024 and 31 December 2023, most of the Group's long-term loans, borrowings and bonds had covenants to be tested within twelve months after the reporting date. Such covenants include the requirement to maintain several financial ratios at a certain level. If there is a breach of financial ratios, the creditor has the right to demand immediate repayment of the entire loan, borrowing or bond. As at 31 December 2024 and 31 December 2023, the Group was in compliance with its financial covenants under all such credit facility loans, borrowings and bonds.

The Group assesses as unlikely a breach of the covenants for the borrowings listed above within twelve months after the reporting date.

Metals

The nominal value of UC RUSAL's loans and borrowings was USD 4,287 million at 31 December 2024 (31 December 2023: USD 4,447million).

As at 31 December 2024 and 31 December 2023 the secured bank loans are secured by certain pledges of shares of a number of UC RUSAL's subsidiaries and 25% +1 share of Norilsk Nickel (Group's associate).

Power

The nominal value of Power loans and borrowings was USD 1,879 million at 31 December 2024 (31 December 2023: USD 2,371 million).

As at 31 December 2024 and 31 December 2023 the secured bank loans are secured by certain pledges of shares of a number of Parent Company's subsidiaries, including LLC EN+ Hydro (formerly ESE-Hydrogeneration) – 100% (2023: 100%), JSC Irkutskenergo – 77.42% (2023: 77.42%) and EN+ Generation – 50% + 1 share (2023: 50% + 1 share).

(b) Bonds

As at 31 December 2024, the Group had outstanding bonds denominated in RUB, CNY, United Arab Emirates Dirhams and eurobonds denominated in USD:

Metals

Type	Series	The number of bonds	Nominal value, USD million	Nominal interest rate	Put-option date	Maturity date
Bond	BO-01	30,263	–	0.01%	–	07.04.2026
Bond	BO-001P-04	370,000	101	5.95%	–	05.09.2025
Eurobond	–	21,300	21	5.30%	–	03.05.2023
Eurobond	–	20,469	21	4.85%	–	01.02.2023
Bond	BO-05	467,750	62	8.50%	04.08.2025	28.07.2027
Bond	BO-06	117,940	16	8.50%	04.08.2025	28.07.2027
Bond	BO-001P-01	6,000,000	792	3.75%	–	24.04.2025
Bond	BO-001P-02	1,000,000	132	3.95%	–	23.12.2025
Bond	BO-001P-03	3,000,000	396	LPR1Y + 0.2%	–	24.12.2025
Bond	001PC-01	2,379,660	314	3.75%	–	07.03.2025
Bond	001PC-02	2,352,869	311	3.75%	–	07.03.2025
Bond	001PC-03	2,367,763	313	3.75%	–	07.03.2025
Bond	001PC-04	1,778,060	235	3.75%	–	07.03.2025
Bond	BO-001P-05	600,000	79	6.70%	–	08.05.2026
Bond	BO-001P-06	1,000,000	132	7.20%	–	05.08.2026
Bond	BO-001P-07	900,000	119	7.90%	–	09.10.2026
Bond	BO-001P-08	85,000	85	9.25%	–	01.08.2027
Bond	BO-001P-09	30,000,000	295	KeyRate + 2.20%	–	17.06.2027
Bond	BO-001P-10	10,000,000	98	KeyRate + 2.25%	–	06.03.2027
Bond	BO-001P-11	10,000,000	98	KeyRate + 2.50%	–	22.08.2029

On 7 February 2024 UC RUSAL placed on the Moscow Stock Exchange exchange-traded non documentary interest-bearing non-convertible bonds series BO-001P-06 in the total amount of CNY 1,000 million with a coupon – 7.20%. The maturity of the bonds is 2.5 years.

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On 12 April 2024 UC RUSAL placed on the Moscow Stock Exchange exchange-traded non documentary interest-bearing non-convertible bonds series BO-001P-07 in the total amount of CNY 900 million with a coupon – 7.90%. The maturity of the bonds is 2.5 years.

On 2 July 2024 UC RUSAL placed on the Moscow Stock Exchange exchange-traded non documentary interest-bearing non-convertible bonds series BO-001P-09 in the total amount of RUB 30 billion with a coupon – Key Rate + 2.2%. The maturity of the bonds is 3 years.

On 30 July 2024 UC RUSAL placed on the Moscow Stock Exchange exchange-traded non documentary interest-bearing non-convertible bonds series BO-001P-08 in the total amount of USD 85 million with a coupon – 9.25%. The maturity of the bonds is 3 years.

On 5 August 2024 UC RUSAL repurchased bonds series BO-05 nominated in Chinese yuan in the amount of CNY 1.5 billion. The balance in the amount of CNY 467,8 million is in the market, the coupon rate is 8.5%, maturity – 1 year.

On 5 August 2024 UC RUSAL repurchased bonds series BO-06 nominated in Chinese yuan in the amount of CNY 1.8 billion. The balance in the amount of CNY 117.9 million is in the market, the coupon rate is 8.5%, maturity – 1 year

On 17 September 2024 UC RUSAL placed on the Moscow Stock Exchange exchange-traded non documentary interest-bearing non-convertible bonds series BO-001P-10 and BO-001P-11 in the total amount of RUB 10 billion with a coupon – Key Rate + 2.25% and in the total amount of RUB 10 billion with a coupon – Key Rate + 2.5%. The maturity of the bonds is 2.5 years and 5 years, respectively.

Power

Type	Series	The number of bonds	Nominal value, USD million	Nominal interest rate	Put-option date	Maturity date
Bond	001PC-01	2,075,377	274	4.45%	–	22.12.2025
Bond	001PC-02	1,792,146	237	5.45%	–	27.03.2026
Bond	001PC-03	1,026,910	136	5.45%	–	22.05.2025
Bond	001PC-01	670,000	88	5.40%	–	06.05.2026
Bond	001PC-05	1,100,000	145	8.10%	–	17.11.2026
Bond	001PC-06	7,000,000	69	KeyRate + 5.00%	–	15.12.2026

On 21 May 2024 the Power segment company placed on the Moscow Stock Exchange exchange-traded non documentary interest-bearing non-convertible bonds series 001PC-05 in the total amount CNY 1,100 million with a coupon – 8.10% p.a. Maturity of the bonds is November 2026.

On 25 December 2024 the Power segment company placed on the Moscow Stock Exchange exchange-traded non documentary interest-bearing non-convertible bonds series 001PC-06 in the total amount RUB 7 billion with a coupon – Key Rate + 5%. Maturity of the bonds is December 2026

As at 31 December 2024, the amount of accrued interest on the Group's bonds was USD 26 million (31 December 2023: USD 25 million).

18. Provisions

(a) Accounting policy

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs.

(i) Site restoration

The mining, refining and smelting activities of the Group can give rise to obligations for site restoration and rehabilitation. Restoration and rehabilitation works can include facility decommissioning and dismantling, removal or treatment of waste materials, land rehabilitation, and site restoration. The extent of work required and the associated costs are dependent on the requirements of law and the interpretations of the relevant authorities.

Provisions for the cost of each restoration and rehabilitation program are recognised at the time that environmental disturbance occurs. When the extent of disturbance increases over the life of an operation, the provision is increased accordingly. Costs included in the provision encompass obligated and reasonably estimable restoration and rehabilitation activities expected to occur progressively over the life of the operation and at the time of closure in connection with disturbances at the reporting date.

Routine operating costs that may impact the ultimate restoration and rehabilitation activities, such as waste material handling conducted as an integral part of a mining or production process, are not included in the provision. Costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognised as an expense and liability when the event gives rise to an obligation which is probable and capable of reliable estimation.

Restoration and rehabilitation provisions are measured at the expected value of future cash flows, discounted to their present value and determined according to the probability of alternative estimates of cash flows occurring for each operation. Discount rates used are specific to the country in which the operation is located. Significant judgements and estimates are involved in forming expectations of future activities and the amount and timing of the associated cash flows. Those expectations are formed based on existing environmental and regulatory requirements.

When provisions for restoration and rehabilitation are initially recognised, the corresponding cost is capitalised as an asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalised cost of restoration and rehabilitation activities is amortised over the estimated economic life of the operation on a units of production or straight-line basis. The value of the provision is progressively increased over time as the effect of discounting unwinds, creating an expense recognised as part of finance expenses.

Restoration and rehabilitation provisions are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalised cost of the whole asset, to which the provision relates, except where a reduction in the provision is greater than the unamortised capitalised cost, in which case the capitalised cost is reduced to nil and the remaining adjustment is recognised in profit or loss. Changes to the capitalised cost result in an adjustment to future amortisation charges. Adjustments to the estimated amount and timing of future restoration and rehabilitation cash flows are a normal occurrence in light of the significant judgements and estimates involved. Factors influencing those changes include revisions to estimated reserves, resources and lives of operations; developments in technology; regulatory requirements and environmental management strategies; changes in the estimated costs of anticipated activities, including the effects of inflation and movements in foreign exchange rates; and movements in general interest rates affecting the discount rate applied.

(ii) Legal claim

In the normal course of business, the Group may be involved in legal proceedings. Where management considers that it is more likely than not that proceedings will result in the Group compensating third parties, a provision is recognised for the best estimate of the amount expected to be paid. Where management considers that it is more likely than not that proceedings will not result in the Group compensating third parties or where, in rare circumstances, it is not considered possible to provide a sufficiently reliable estimate of the amount expected to be paid, no provision is made for any potential liability under the litigation but the circumstances and uncertainties involved are disclosed as contingent liabilities. The assessment of the likely outcome of legal proceedings and the amount of any potential liability involves significant judgement. As law and regulations in many of the countries in which the Group operates are continuing to evolve, particularly in the areas of taxation, sub-soil rights and protection of the environment, uncertainties regarding litigation and regulation are greater than those typically found in countries with more developed legal and regulatory frameworks.

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(b) Disclosure

USD million	**Pension liabilities**	**Site restoration**	**Provisions for legal claims**	**Total**
Balance at 1 January 2023	**101**	**399**	**26**	**526**
Provisions made during the year	11	–	3	**14**
Provisions reversed during the year	(5)	–	–	**(5)**
Actuarial gain	(8)	–	–	**(8)**
Provisions used during the year	(6)	–	(11)	**(17)**
Effect of the passage of time	–	14	–	**14**
Change in estimates	–	(3)	–	**(3)**
Translation difference	(17)	(26)	(3)	**(46)**
Balance at 31 December 2023	**76**	**384**	**15**	**475**
Non-current	*69*	*282*	–	*351*
Current	*7*	*102*	*15*	*124*
Provisions made during the year	11	–	33	**44**
Provisions reversed during the year	–	–	(4)	**(4)**
Actuarial loss	8	–	–	**8**
Provisions used during the year	(5)	(6)	(4)	**(15)**
Effect of the passage of time	–	1	–	**1**
Change in estimates	–	(38)	–	**(38)**
Translation difference	(11)	(19)	(3)	**(33)**
Balance at 31 December 2024	**79**	**322**	**37**	**438**
Non-current	*70*	*235*	–	*305*
Current	*9*	*87*	*37*	*133*
	79	**322**	**37**	**438**

(c) Pension liabilities

As at 31 December 2024, the pension liability is represented by Metals of USD 53 million (31 December 2023: USD 47 million) and Power of USD 26 million (31 December 2023: USD 29 million).

The provision for pensions mainly comprises lump sum payments at retirement by aluminium plants located in Russia, and by electricity generating companies. The Group also provides pension benefits to eligible participants at facilities located outside of the Russian Federation.

Group subsidiaries in the Russian Federation

The Group voluntarily provides long-term and post-employment benefits to its former and existing employees including death-in-service, jubilee, lump sum upon retirement, material support for pensioners and death-in-pension benefits. Furthermore, the Group provides regular social support payments to some of its veterans of World War II.

The above employee benefit programs are of a defined benefit nature. The Group finances these programs on a pay-as-you-go basis, so plan assets are equal to zero.

Group subsidiaries outside the Russian Federation

At its Guinean entities the Group provides a death-in-service benefit and lump-sum benefits upon disability and old-age retirement.

At its Guyana subsidiary, the Group provides a death-in-service benefit.

At its Italian subsidiary (Eurallumina) the Group only provides lump sum benefits upon retirement, which relate to service up to 1 January 2007.

In Sweden (Kubikenborg Aluminium AB), the Group provides defined benefit lifelong and temporary pension benefits. The lifelong benefits are dependent on the past service and average salary level of the employee, with an accrual rate that depends on the salary bracket the employee is in. The liability relates only to benefits accrued before 1 January 2004.

Actuarial valuation of pension liabilities

Metals

The key actuarial assumptions (weighted average, weighted by DBO) are as follows:

	31 December 2024 % per annum	31 December 2023 % per annum
Discount rate	14.3	11.4
Future salary increases	14.2	8.5
Future pension increases	1.8	1.7
Staff turnover	4.9	4.9
Mortality	USSR population table for 1985	USSR population table for 1985
Disability	70% Munich Re for Russia	70% Munich Re for Russia

Power

The principal assumptions used in determining pension obligations for the pension plans are shown below:

	31 December 2024 % per annum	31 December 2023 % per annum
Discount rate	15.0	11.8
Future salary increases	8.5	7.0
Pension and inflation rate increases	7.0	5.5

As at 31 December 2024 and 31 December 2023 the Group's obligations were fully uncovered as the Group has only wholly unfunded plans.

(d) Site restoration and environmental provisions

The Group provides for site restoration obligations when there is a specific legal or constructive obligation for mine reclamation, landfill closure (primarily comprising red mud basin disposal sites) or specific lease restoration requirements. The Group does not record any obligations with respect to decommissioning of its refining or smelting facilities and restoration and rehabilitation of the surrounding areas unless there is a specific plan to discontinue operations at a facility. This is because any significant costs in connection with decommissioning of refining or smelting facilities and restoration and rehabilitation of the surrounding areas would be incurred no earlier than when the facility is closed and the facilities are currently expected to operate over a term in excess of 50-100 years due to the perpetual nature of the refineries and smelters and continuous maintenance and upgrade programs resulting in the carrying values of any such liabilities being negligible.

The site restoration provision relates primarily to mine reclamation and red mud basin disposal sites at alumina refineries and ash dumps removal at coal burning electricity and heat generation stations.

The principal assumptions used in determining site restoration provision are:

	31 December 2024	31 December 2023
Timing of cash outflows	2025: USD 88 million 2026-2030: USD 68 million 2031-2040: USD 126 million after 2040: USD 400 million	2024: USD 102 million 2025-2029: USD 81 million 2030-2039: USD 116 million after 2039: USD 418 million
Years required to fill the ash dumps	15.9	23.8
Discount rate for Coal CHPs CGU assets after adjusting for inflation	10.10	7.42
Risk free discount rate for Metals segment after adjusting for inflation*	4.39	3.55

* The risk free rate for the year 2023-2024 represents an effective rate, which comprises rates differentiated by years of obligation settlement and by currencies in which the provisions were calculated.

At each reporting date management have assessed the provisions for site restoration and concluded that the provisions and disclosures are adequate.

(e) Provisions for legal claims

The Group's subsidiaries are subject to a variety of lawsuits and claims in the ordinary course of its business. As at 31 December 2024, there were several claims filed against the Group's subsidiaries contesting breaches of contract terms and non-payment of existing obligations. Management has reviewed the circumstances and estimated that the amount of probable outflow related to these claims should not exceed USD 37 million (31 December 2023: USD 15 million).

At each reporting date management has assessed the provisions for litigation and claims and concluded that the provisions and disclosures are adequate.

19. Derivative financial assets and liabilities

Accounting policies

The Group enters, from time to time, into various derivative financial instruments to manage its exposure to commodity price risk, foreign currency risk and interest rate risk.

Derivative financial instruments are recognised initially at fair value; attributable transaction costs are recognised in the statement of income when incurred. Subsequent to initial recognition, derivatives are measured at fair value.

The measurement of fair value of derivative financial instruments is based on quoted market prices. Where no price information is available from a quoted market source, alternative market mechanisms or recent comparable transactions, fair value is estimated based on the Group's views on relevant future prices, net of valuation allowances to accommodate liquidity, modelling and other risks implicit in such estimates.

Changes in the fair value of derivative financial instruments are recognised immediately in the statement of profit or loss and other comprehensive income.

Disclosures

	31 December 2024 USD million		31 December 2023 USD million	
	Derivative assets	Derivative liabilities	Derivative assets	Derivative liabilities
Forward contracts for aluminium and other instruments	27	–	32	–
Cross-currency interest SWAPs	–	(26)	–	–
Total	**27**	**(26)**	**32**	**–**
Non-current	–	–	*13*	–
Current	*27*	*(26)*	*19*	–

Derivative financial instruments are recorded at their fair value at each reporting date. Fair value is estimated in accordance with Level 3 of the fair value hierarchy based on management estimates and consensus economic forecasts of relevant future prices and interest rates, net of valuation allowances to accommodate liquidity, modelling and other risks implicit in such estimates. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the date of the event or change in circumstances that caused the transfer. The movement in the balance of Level 3 fair value measurements of derivatives is as follows:

	31 December 2024 USD million	31 December 2023 USD million
Balance at the beginning of the year	**32**	**168**
Unrealised changes in fair value recognised in statement of profit or loss (finance expense) during the year (note 8)	61	(99)
Realised portion of electricity, coke and raw material contracts and cross currency swap	(92)	(37)
Balance at the end of the year	**1**	**32**

During the year 2024 there have been no changes in valuation techniques used to calculate the derivative financial instruments compared to prior year.

Management believes that the values assigned to the key assumptions and estimates represented the most realistic assessment of future trends. The results for the derivative instruments are not particularly sensitive to any factors other than the assumptions disclosed above.

UC RUSAL sells products to various third parties at prices that are influenced by changes in London Metal Exchange aluminium prices and Shanghai Futures Exchange (SHFE) aluminium prices. From time to time UC RUSAL enters into forward sales and purchase contracts for a portion of its anticipated primary aluminium sales and purchases to reduce the risk of prices fluctuations on these sales and purchases. The results are accounted for as profit or loss from derivative financial instruments, and do not adjust with revenue or purchases.

20. Financial risk management and fair values

(a) Fair values

The methods used to estimate the fair values of the financial instruments are as follows:

Trade and other receivables, short-term investments, cash and cash equivalents, current loans and borrowings and trade and other payables: the carrying amounts approximate fair value because of the short maturity period of the instruments.

Investments in equity securities: measured at fair value through profit and loss, so, its carrying amount is equal its fair value.

Long-term loans and borrowings, other non-current liabilities: the fair values of Metals segment and Power segment bonds issued are approximate their carrying value. The fair value of the loans and borrowings with fixed and floating interest rate as at 31 December 2024 and 31 December 2023 was calculated based on the present value of future principal and interest cash flows, using discount interest rate that take into account the currency of the debt, expected maturity dates and credit risks associated with the Group that existed at the reporting date.

Derivatives: the fair value of derivative financial instruments is based on quoted market prices. Where no price information is available from a quoted market source, alternative market mechanisms or recent comparable transactions, fair value is estimated based on the Group's views on relevant future prices, net of valuation allowances to accommodate liquidity, modelling and other risks implicit in such estimates. The derivative financial instruments are recorded at their fair value at each reporting date.

The following table presents the fair value of Group's financial instruments measured at the end of the reporting period on a recurring basis, as well as for instruments for which fair value is disclosed, categorised into the three-level fair value hierarchy as defined by IFRS 13, *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: fair value measured using significant unobservable inputs.

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		Carrying amount				Fair value			
	Note	Derivatives USD million	Loans and receivables USD million	Other financial assets/ (liabilities) USD million	Total USD million	Level 1 USD million	Level 2 USD million	Level 3 USD million	Total USD million
Financial assets measured at fair value									
Forward contracts for aluminium and other instruments	19	27	–	–	**27**	–	–	27	**27**
Investments in equity securities measured at fair value through profit and loss	1515	–	–	218	**218**	218	–	–	**218**
		27	–	**218**	**245**	**218**	–	**27**	**245**
Financial assets not measured at fair value*									
Trade and other receivables	15	–	1,723	–	**1,723**	–	1,723	–	**1,723**
Short-term investments		–	133	–	**133**	–	133	–	**133**
Cash and cash equivalents	15	–	1,883	–	**1,883**	–	1,883	–	**1,883**
		–	**3,739**	–	**3,739**	–	**3,739**	–	**3,739**
Financial liabilities measured at fair value									
Forward contracts for aluminium and other instruments		(26)	–	–	**(26)**	–	–	(26)	**(26)**
		(26)	–	–	**(26)**	–	–	**(26)**	**(26)**
Financial liabilities not measured at fair value*									
Loans and borrowings	17	–	–	(6,064)	**(6,064)**	–	(5,851)	–	**(5,851)**
Unsecured company loans from related parties		–	–	(105)	**(105)**	–	(93)	–	**(93)**
Unsecured bond issue	17	–	–	(4,595)	**(4,595)**	(1,168)	(3,368)	–	**(4,536)**
Trade and other payables	15	–	–	(1,700)	**(1,700)**	–	(1,700)	–	**(1,700)**
		–	–	**(12,464)**	**(12,464)**	**(1,168)**	**(11,012)**	–	**(12,180)**

* The Group considers that the carrying amounts of short-term trade receivables and payables are a reasonable approximation of fair values.

As at 31 December 2023

		Carrying amount				Fair value			
	Note	Derivatives USD million	Loans and receivables USD million	Other financial assets/ (liabilities) USD million	Total USD million	Level 1 USD million	Level 2 USD million	Level 3 USD million	Total USD million
Financial assets measured at fair value									
Forward contracts for aluminium and other instruments	19	32	–	–	**32**	–	–	32	**32**
Investments in equity securities measured at fair value through profit and loss	15	–	–	340	**340**	340	–	–	**340**
		32	**–**	**340**	**372**	**340**	**–**	**32**	**372**
Financial assets not measured at fair value*									
Trade and other receivables	15(b)	–	1,723	–	**1,723**	–	1,723	–	**1,723**
Short-term investments		–	97	–	**97**	–	97	–	**97**
Cash and cash equivalents	15	–	2,347	–	**2,347**	–	2,347	–	**2,347**
		–	**4,167**	**–**	**4,167**	**–**	**4,167**	**–**	**4,167**
Financial liabilities not measured at fair value*									
Loans and borrowings	17	–	–	(6,812)	**(6,812)**	–	(6,697)	–	**(6,697)**
Unsecured bond issue	17	–	–	(4,252)	**(4,252)**	(1,698)	(2,454)	–	**(4,152)**
Trade and other payables	15	–	–	(1,321)	**(1,321)**	–	(1,321)	–	**(1,321)**
		–	**–**	**(12,385)**	**(12,385)**	**(1,698)**	**(10,472)**	**–**	**(12,170)**

* The Group considers that the carrying amounts of short-term trade receivables and payables are a reasonable approximation of fair values.

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(b) Financial risk management objectives and policies

The Group's principal financial instruments comprise bank loans, bonds and trade payables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.

The main risks arising from the Group's financial instruments are cash flow interest rate risk, liquidity risk, foreign currency risk and credit risk. Management reviews and agrees policies for managing each of these risks which are summarised below.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

(i) Tariffs and commodity price risk

The tariffs for electricity, heat and transmission services applied by the Group's significant subsidiaries are currently partially determined by government bodies. The Group cannot directly influence or mitigate the risks in relation to the change in tariffs.

During the years ended 31 December 2024 and 31 December 2023, UC RUSAL has entered into certain commodity derivatives contracts in order to manage its exposure of commodity price risks.

(ii) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates (note 17). The Group's policy is to manage its interest costs by monitoring changes in interest rates with respect to its borrowings.

The following table details the interest rate profile of the borrowings at the reporting date.

	31 December 2024		31 December 2023	
	Effective interest rate %	USD million	Effective interest rate %	USD million
Fixed rate loans and borrowings				
Loans and bonds (note 17(a))	0%-16.75%	6,172	0.01%-18.75%	6,909
		6,172		**6,909**
Variable rate loans and borrowings				
Loans and bonds (note 17(a))	3.02%-27%	4,445	3.65%-18.40%	4,015
		4,445		**4,015**
		10,617		**10,924**

The following table demonstrates the sensitivity to cash flows from interest rate risk arising from floating rate non-derivative instruments held by the Group at the reporting date in respect of a reasonably possible change in interest rates, with all other variables held constant. The impact on the Group's profit before taxation and equity and retained profits / accumulated losses is estimated as an annualized input on interest expense or income of such a change in interest rates. The analysis has been performed on the same basis for all years presented.

	Increase/ decrease in basis points	Effect on profit before taxation for the year USD million	Effect on equity for the year USD million
As at 31 December 2024			
Basis percentage points	+300	(133)	(107)
Basis percentage points	-300	133	107
As at 31 December 2023			
Basis percentage points	+100	(40)	(32)
Basis percentage points	-100	40	32

(iii) Foreign currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of group entities, primarily USD but also the RUB, CNY and EUR. The currencies in which these transactions primarily are denominated are RUB, USD, CNY and EUR.

Borrowings are primarily denominated in currencies that match the cash flows generated by the underlying operations of the Group, primarily USD but also RUB, CNY and EUR. This provides an economic hedge.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances or entering into currency swap arrangements.

The Group's exposure at the reporting date to foreign currency risk arising from recognised assets and liabilities denominated in a currency other than the functional currency of the entity to which they relate is set out in the table below. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are ignored.

	USD-denominated vs. RUB functional currency 31 December		RUB-denominated vs. USD functional currency 31 December		EUR-denominated vs. USD functional currency 31 December		CNY-denominated vs. USD functional currency 31 December		CNY-denominated vs. RUB functional currency 31 December		Denominated in other currencies vs. USD functional currency 31 December	
USD million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Non-current assets	–	–	41	57	18	19	–	13	–	–	–	–
Trade and other receivables	3	50	663	296	149	168	211	4	1	1	10	20
Cash and cash equivalents	–	1	138	465	72	253	814	712	35	1	202	30
Loans and borrowings	–	–	(1,402)	(193)	(17)	(22)	(2,674)	(3,768)	(132)	–	(29)	–
Non-current liabilities	–	–	(3)	(51)	(2)	(2)	–	–	–	–	(1)	(1)
Bonds	–	–	(492)	(1)	–	–	(2,900)	(3,292)	(880)	(780)	(101)	(101)
Trade and other payables	(1)	(1)	(614)	(364)	(54)	(53)	(100)	(36)	–	–	(17)	(62)
Net exposure arising from recognised assets and liabilities	**2**	**50**	**(1,669)**	**209**	**166**	**363**	**(4,649)**	**(6,367)**	**(976)**	**(778)**	**64**	**(114)**

(iv) Foreign currency sensitivity analysis

The following tables indicate the change in the Group's profit before taxation and other comprehensive income that could arise if foreign exchange rates to which the Group has significant exposure at the reporting date had changed at that date, assuming all other risk variables remained constant.

	Year ended 31 December 2024		
	Change in exchange rates	USD million Effect on profit before taxation for the year	USD million Effect on equity for the year
Depreciation of USD vs. RUB	15%	(251)	(251)
Depreciation of USD vs. EUR	10%	17	17
Depreciation of USD vs. CNY	5%	(232)	(232)
Depreciation of USD vs. other currencies	5%	3	3
Depreciation of CNY vs. RUB	15%	(146)	(117)

	Year ended 31 December 2023		
	Change in exchange rates	USD million Effect on profit before taxation for the year	USD million Effect on equity for the year
Depreciation of USD vs. RUB	15%	24	24
Depreciation of USD vs. EUR	10%	36	36
Depreciation of USD vs. CNY	5%	(318)	(318)
Depreciation of USD vs. other currencies	5%	(6)	(6)
Depreciation of CNY vs. RUB	15%	(117)	(93)

Results of the analysis as presented in the above tables represent an aggregation of the effects on the Group entities' profit before taxation and other comprehensive income measured in the respective functional currencies, translated into USD at the exchange rates ruling at the reporting date for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the reporting date. The analysis excludes differences that would result from the translation of financial statements of foreign operations into the Group's presentation currency. The analysis has been performed on the same basis for all years presented.

(d) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's policy is to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of committed credit facilities to meet its operating and financial commitments.

The following tables show the remaining contractual maturities at the reporting date of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payment computed using contractual rates, or if floating, based on rates current at the reporting date) and the earliest the Group can be required to pay:

	31 December 2024 Contractual undiscounted cash outflow					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount
	USD million	USD million	USD million	USD million	USD million	USD million
Trade and other payables to third parties	1,429	1	–	–	**1,430**	1,430
Trade and other payables to related parties	270	–	–	–	**270**	270
Bonds, including interest payable	3,334	1,043	541	137	**5,055**	4,595
Loans and borrowings, including interest payable	3,557	3,039	1,065	1,042	**8,703**	6,169
Other contractual obligations	32	51	–	–	**83**	–
	8,622	**4,134**	**1,606**	**1,179**	**15,541**	**12,464**

	31 December 2023 Contractual undiscounted cash outflow					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount
	USD million	USD million	USD million	USD million	USD million	USD million
Trade and other payables to third parties	1,156	4	–	–	**1,160**	1,160
Trade and other payables to related parties	161	–	–	–	**161**	161
Bonds, including interest payable	768	3,280	437	–	**4,485**	4,252
Loans and borrowings, including interest payable	2,383	2,492	2,987	360	**8,222**	6,812
Other contractual obligations	36	58	–	–	**94**	–
	4,504	**5,834**	**3,424**	**360**	**14,122**	**12,385**

At 31 December 2024 and 31 December 2023 the Group's contractual undertaking to provide loans under the loan agreement between Metals segment, PJSC RusHydro and BoAZ is included at maximum exposure for the Group in the liquidity risk disclosure above.

(e) Credit risk

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The majority of the Group's third party trade receivables represent balances with the world's leading international corporations operating in the metals industry. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to credit loss is not significant. Goods are normally sold subject to retention of title clauses, so that in the event of non-payment the Group may have a secured claim. The Group does not require collateral in respect of trade and other receivables. The details of impairment of trade and other receivables are disclosed in note 15. Cash balances are held with high credit quality financial institutions. The extent of the Group's credit exposure is represented by the aggregate balance of financial assets and financial guarantees and loan commitments given.

At 31 December 2024 and 31 December 2023, the Group has no concentration of credit risk within any single largest customer but 37.9% and 9.3% of the total trade receivables were due from the Group's five largest customers.

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(f) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board seeks to maintain a balance between higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes in the Group's approach to capital management during the year.

(g) Master netting or similar agreements

The Group may enter into sales and purchase agreements with the same counterparty in the normal course of business. The related amounts receivable and payable do not always meet the criteria for offsetting in the statement of financial position.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements.

	Year ended 31 December 2024	
	USD million	USD million
	Trade receivables	Trade payables
Gross amounts	160	(165)
Net amounts presented in the statement of financial position	**160**	**(165)**
Amounts related to recognised financial instruments that do not meet some or all of the offsetting criteria	(66)	66
Net amount	**94**	**(99)**

	Year ended 31 December 2023	
	USD million	USD million
	Trade receivables	Trade payables
Gross amounts	111	(107)
Net amounts presented in the statement of financial position	**111**	**(107)**
Amounts related to recognised financial instruments that do not meet some or all of the offsetting criteria	(37)	37
Net amount	**74**	**(70)**

21. Commitments

(a) Capital commitments

The Group had outstanding capital commitments which had been contracted for at 31 December 2024 and 31 December 2023 in the amount of USD 1,356 million and USD 944 million, including VAT, respectively. These commitments are due over a number of years.

(b) Purchase commitments

Commitments with third parties for purchases of alumina, bauxite, other raw materials and other purchases in 2025-2044 under supply agreements are estimated from USD 5,060 million to USD 6,473 million at 31 December 2024 (31 December 2023: USD 3,552 million to USD 4,480) depending on the actual purchase volumes and applicable prices.

Commitments with related parties for purchases of alumina, bauxite, other raw materials and other purchases in 2025-2034 under supply agreements are estimated from USD 7,632 million to USD 8,208 million at 31 December 2024 depending on the actual purchase volumes and applicable prices.

Commitments with related parties for purchases of primary aluminium, alloys and other purchases in 2025-2030 under supply agreements are estimated from USD 4,330 million to USD 5,746 million at 31 December 2024 (31 December 2023: USD 4,469 million to USD 6,029 million) depending on the actual purchase volumes and applicable prices.

(c) Sale commitments

Commitments with third parties for sales of alumina and other raw materials in 2025-2044 are estimated from USD 740 million to USD 919 million at 31 December 2024 (31 December 2023: from USD 560 million to USD 691 million) and will be settled at market prices at the date of delivery.

Commitments with related parties for sales of alumina and other raw materials in 2025-2033 are estimated from USD 3,384 million to USD 3,849 million at 31 December 2024 and will be settled at market prices at the date of delivery.

Commitments with third parties for sales of primary aluminium and alloys in 2025-2029 are estimated to range from USD 6,327 million to USD 7,153 million at 31 December 2024 (31 December 2023: from USD 5,269 million to USD 5,901 million).

As at 31 December 2024 there were no commitments with related parties for sales of primary aluminium and alloys (31 December 2023: from USD 215 million to USD 262 million).

(d) Social commitments

The Group contributes to the maintenance and upkeep of the local infrastructure and the welfare of its employees, including contributions toward the development and maintenance of housing, hospitals, transport services, recreation and other social needs of the regions of the Russian Federation where the Group's production entities are located. The funding of such assistance is periodically determined by management and is appropriately capitalised or expensed as incurred.

22. Contingencies

(a) Taxation

Russian tax, currency and customs legislation is subject to varying interpretations, and changes, which can occur frequently. Management's interpretation of such legislation as applied to the transactions and activities of the Group may be challenged by the relevant local, regional and federal authorities. Recent developments in the Russian environment suggest that the authorities in this country are becoming more active in seeking to enforce, through the Russian court system, interpretations of the tax legislation, in particular in relation to the use of certain commercial trading structures, which may be selective for particular tax payers and different from the authorities' previous interpretations or practices. Recent events within the Russian Federation suggest that the tax authorities are taking a more assertive and substance-based position in their interpretation and enforcement of tax legislation.

In addition to the amounts of income tax the Group has provided, there are certain tax positions taken by the Group where it is reasonably possible (though less than 50% likely) that additional tax may be payable upon examination by the tax authorities or in connection with ongoing disputes with tax authorities. The Group's best estimate of the aggregate maximum of additional amounts that it is reasonably possible (though less than 50% likely) may become payable if these tax positions were not sustained at 31 December 2024 is USD 14 million (31 December 2023: USD 22 million).

(b) Environmental contingencies

The Group and its predecessor entities have operated in the Russian Federation, Jamaica, Guyana, the Republic of Guinea and the European Union for many years and certain environmental problems have developed. Governmental authorities are continually considering environmental regulations and their enforcement and the Group periodically evaluates its obligations related thereto. As obligations are determined, they are recognised immediately. The outcome of environmental liabilities under proposed or any future legislation, or as a result of stricter enforcement of existing legislation, cannot reasonably be estimated. Under current levels of enforcement of existing legislation, management believes there are no possible liabilities, which will have a material adverse effect on the financial position or the operating results of the Group. However, the Group anticipates undertaking significant capital projects to improve its future environmental performance.

(c) Legal contingencies

The Group's business activities expose it to a variety of lawsuits and claims which are monitored, assessed and contested on an ongoing basis. Where management believes that a lawsuit or another claim would result in the outflow of the economic benefits for the Group, a best estimate of such outflow is included in provisions in the consolidated financial statements (note 18(e)). As at 31 December 2024, the amount of claims, where management assesses outflow as possible approximates USD 24 million (31 December 2023: USD 25 million).

(d) Other contingent liabilities

In September 2013, UC RUSAL and PJSC RusHydro entered into an agreement with BoAZ to provide loans, if the latter is unable to fulfil its obligations under its credit facilities. The aggregate exposure under the agreement is limited to RUB 16.8 billion (31 December 2024 and 31 December 2023: USD 166 million and USD 188 million, respectively) and is split between the Group and PJSC RusHydro in equal proportion. Based on management's estimates, the arising financial guarantees related to this arrangement are not significant to the consolidated financial statements.

23. Related party transactions

(a) Accounting policy

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) Has control or joint control over the Group; or
- (ii) Has significant influence over the Group; or
- (iii) Is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the group or to the group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(b) Transactions with related parties

The Group transacts with related parties, the majority of which are capable of exerting significant influence on the Metals segment, associates and joint ventures and other related parties.

Sales to related parties for the year are disclosed in note 5, receivables from and payables to related parties are disclosed in note 15.

Purchases of raw materials and services from related parties for the period were as follows:

	Year ended 31 December	
	2024	2023
	USD million	USD million
Purchase of raw materials	**(1,191)**	**(711)**
Companies capable of exerting significant influence	(81)	(50)
Associates and joint ventures	(1,110)	(661)
Energy costs	**(88)**	**(93)**
Companies capable of exerting significant influence	(42)	(45)
Associates and joint ventures	(46)	(48)
	(1,279)	**(804)**

(c) Related parties balances

At 31 December 2024, included in non-current liabilities are balances of related parties – associates and joint ventures of USD 18 million (31 December 2023: USD 17 million).

(d) Remuneration to key management

For the year ended 31 December 2024 remuneration to key management personnel comprised short-term benefits and amounted to USD 18 million from which Board members received USD 11 million (year ended 31 December 2023: USD 22 million from which Board members received USD 10 million).

24. Events subsequent to the reporting date

On 24 February 2025 the European Union adopted the 16th Russia sanctions package. Among others, the package contains a prohibition on the import of primary aluminium of Russian origin. A quota is stipulated allowing 275,000 tons to be imported until 25 February 2026 and 50,000 tons during the rest of 2026. The Group's management estimates the effect of these sanctions as not significant to the Group.

In March 2025, UC RUSAL placed commercial non-documentary non-convertible interest-bearing bonds series 001PC-05 in the amount of RUB 30 billion, with a coupon rate equal to the rate of the Key Rate plus margin.

In March 2025, a subsidiary of the Group has drawn down the funds under an existing credit facility agreement with a Russian bank for a total amount of RUB 42.6 billion At the same time, a subsidiary of the Group entered into a cross-currency interest rate swap transaction from RUB to CNY in the amount of CNY 3.5 billion

The funds under both transactions were used for partial refinancing of the existing issue of commercial bonds.

On 13 March 2025 subsidiary of the Group entered into an agreement with Pioneer group of companies and KCap group of companies to acquire in three stages up to 50% of the entire share capital in Pioneer Aluminium Industries Limited.

During the first stage, the Group will acquire 26% of the shares in Pioneer Aluminium Industries Limited for the total consideration of USD 243.75 million plus the amount of appropriate contractual adjustments for net working capital and debt as provided for in the agreement.

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25. Significant subsidiaries

The significant entities of the Group, included in these consolidated financial statements, are as follows:

Name	Place of incorporation and operation	Principal activities	Ownership and equity interest 31 December 2024	2023
UC RUSAL				
IPJSC United Company RUSAL	Russian Federation	Holding company	56.9%	56.9%
Compagnie Des Bauxites De Kindia S.A.	Guinea	Bauxite mining	100.0%	100.0%
Friguia SA	Guinea	Alumina	100.0%	100.0%
JSC RUSAL Achinsk	Russian Federation	Alumina	100.0%	100.0%
JSC RUSAL Boxitogorsk Alumina	Russian Federation	Alumina	100.0%	100.0%
Eurallumina SpA	Italy	Alumina	100.0%	100.0%
PJSC RUSAL Bratsk	Russian Federation	Smelting	100.0%	100.0%
JSC RUSAL Krasnoyarsk	Russian Federation	Smelting	100.0%	100.0%
JSC RUSAL Novokuznetsk	Russian Federation	Smelting	100.0%	100.0%
JSC RUSAL Sayanogorsk	Russian Federation	Smelting	100.0%	100.0%
LLC RUSAL RESAL	Russian Federation	Processing	100.0%	100.0%
JSC RUSAL SAYANAL	Russian Federation	Foil	100.0%	100.0%
CJSC RUSAL ARMENAL	Armenia	Foil	100.0%	100.0%
LLC RUS-Engineering	Russian Federation	Repairs and maintenance	100.0%	100.0%
JSC Russian Aluminium	Russian Federation	Holding company	100.0%	100.0%
Rusal Global Management B.V.	Netherlands	Management company	100.0%	100.0%
JSC United Company RUSAL Trading House	Russian Federation	Trading	100.0%	100.0%
Alumina & Bauxite Company Limited	British Virgin Islands	Trading	100.0%	100.0%
JSC Bauxite-Timana	Russian Federation	Bauxite mining	100.0%	100.0%
JSC Severo-Uralsky Bauxite Mine	Russian Federation	Bauxite mining	100.0%	100.0%
JSC RUSAL URAL	Russian Federation	Primary aluminium and alumina production	100.0%	100.0%
LLC SUAL-PM	Russian Federation	Aluminium powders production	100.0%	100.0%
JSC Kremniy	Russian Federation	Silicon production	100.0%	100.0%
LLC RUSAL-Kremniy-Ural	Russian Federation	Silicon production	100.0%	100.0%
UC RUSAL Alumina Jamaica Limited	Jamaica	Alumina	100.0%	100.0%
Kubikenborg Aluminium AB	Sweden	Smelting	100.0%	100.0%
RFCL Limited	Cyprus	Finance services	100.0%	100.0%
ILLC AKTIVIUM	Russian Federation	Holding and investment company	100.0%	100.0%
Aughinish Alumina Ltd	Ireland	Alumina	100.0%	100.0%
LLC RUSAL Energo	Russian Federation	Electric power	100.0%	100.0%
Limerick Alumina Refining Ltd.	Ireland	Alumina	100.0%	100.0%
JSC RUSAL Management	Russian Federation	Management company	100.0%	100.0%
LLC RUSAL Taishet	Russian Federation	Smelting	100.0%	100.0%
LLC UC RUSAL Anode Plant	Russian Federation	Anodes	100.0%	100.0%
RUSAL Products GmbH	Switzerland	Trading	100.0%	100.0%
Casting and mechanical plant "SKAD" Ltd.	Russian Federation	Other aluminum production	75.0%	75.0%
LLC PGLZ	Russian Federation	Alumina	99.9%	99.9%
AL PLUS GLOBAL DMCC	UAE	Trading	100.0%	100.0%
AL PLUS TRADING DMCC	UAE	Trading	100.0%	100.0%
Beijing Rusal Trade Company Limited	China	Trading	100.0%	100.0%
RUSAL SHANGHAI ECONOMIC AND TRADE COMPANY LIMITED	China	Trading	100.0%	100.0%
Power				
ILLC EN+ HOLDING	Russian Federation	Holding company	100.0%	100.0%
JSC EN+ Generation (formerly JSC EuroSibEnergo)	Russian Federation	Power generation / Management company	100.0%	100.0%
JSC Irkutskenergo	Russian Federation	Power generation	100.0%	100.0%
LLC EN+ Hydro (formerly JSC EuroSibEnergo – Hydrogeneration)	Russian Federation	Power generation	100.0%	100.0%
LLC Avtozavodskaya TEC	Russian Federation	Power generation	100.0%	100.0%
LLC Kompaniya VostSibUgol	Russian Federation	Coal production	100.0%	100.0%
LLC Razrez Cheremkhovugol	Russian Federation	Coal production	100.0%	100.0%

The nominal ownerships indicated in the table above are the same as effective holdings for all subsidiaries, except for UC RUSAL subsidiaries since the Parent Company holds only 56.88% in the UC RUSAL's share capital.