Omsk Carbon Group

Sustainability Report

Omsk Carbon Group, 2024 г.



Content

1. Introduction

Content 2
A Message from our General Director 3
About the report 4
About the company 4

2. Sustainable development

Sustainable Development 10
Sustainable Development Priority 11
Omsk Carbon Group's Contribution to the Achievement of the Sustainable Development Goals 12
Involvement in International, National and Regional Sustainability Initiatives 16
Stakeholder Engagement 19
Managing Sustainability Risks 24

3. Caring for people and communities

Human Rights 25
Hot Line 27
Trust-mail 29
People 30
Motivation 32
Personnel Development and Training 34
Youth Policy 36
Working with Trade Unions 37
Occupational Health and Safety 40
Workplace injury prevention 41
Preventing Incidents or Accidents and Emergency Response 42
Environmental Protection 43
Sustainable use of natural resources 45
Product Lifecycle Assessment 49
Supply Chain Management 51
Engagement with Local Communities 52
Managing Corruption Risks 54
Defining Report Content 56

Appendix 1

GRI Correspondence Table 57

A Message from our General Director



Omsk Carbon Group manufactures carbon black, an innovative product whose unique structure opens boundless enhancement prospects. With our product remaining in high demand internationally, the company has cemented its position among the ten largest CB manufacturers worldwide.

The year 2024 was marked by three anniversaries within Omsk Carbon Group: our Omsk Production Site turned 80 years, the Volgograd plant reached its 60th birthday and Omsk Carbon Mogilev celebrated its 10th anniversary. During that milestone year, we were working on upgrading our production capacities in Omsk and Volgograd and continued construction of our new production line in Mogilev.

In FY2024, Omsk Carbon Group completed its diversification processes for carbon black supply. The company's geographic footprint now encompasses the Chinese, Indian and Southeast Asian markets along with those of the Middle East and South America.

Our customers are major manufacturers of tires, MRGs, polymers, paints and varnishes. We have been keenly focused on supply chain adaptation, maintaining an unwavering quality of our products and flexibility of our services. The company is pursuing expansion of its product range to include more grades suitedfor the manufacture of polymers and independent current sources.

Thanks to excellent job demonstrated at our three production sites, in FY2024 we certified conformance of our existing quality management system to the requirements of the IATF 16949:2016 automotive standard.

Our dedicated team is Omsk Carbon Group's most valuable asset and driver behind innovation. Our people are innovators combining creative approach with strategic thinking. Their workplaces comprise an enabling ecosystem for their talent. We invest in training and skills upgrading, encourage involvement in cultural life and sports and offer access to work placement internships without compromising occupational safety.

Omsk Carbon Group places particular emphasis on the environmental aspects of its operations. The company is at all times compliant with environmental laws and conforms to both Russian and international environmental policy standards. The Omsk production site has continued its efforts as part of the "Clean Air" federal project and the "Ecology" national project. Our investments include energy and resource saving endeavours.

Aleksey Poddubniak

General Director
Omsk Carbon Group OOO

About the Report

Omsk Carbon Group rolls out its fifth sustainability report, which serves to ensure transparency of our business for our stakeholders. The report covers Omsk Carbon Group's operations over the calendar year 2024 and contains information about our active production facilities, including the Omsk, Volgograd and Mogilev production sites.

The sustainability report demonstrates Omsk Carbon Group's progress in the sustainability area, describing the company's environmental, social and economic impacts on welfare in the regions of presence. The report provides an overview of the company's financial performance, environmental impacts, social contributions to the presence regions, corporate governance and relations with its stakeholders. The report details a number of matters related to the company's sustainability priorities in FY2024. In particular, there is an emphasis on UN sustainable development goals whose achievement Omsk Carbon Group will contribute in the course of its business.

The report is prepared for a wide range of Omsk Carbon Group's stakeholders, including employees, shareholders, residents of the presence regions, NGOs, suppliers and customers.

The financial information presented encompasses our entities' activities from the FY2024 IFRS consolidated financial statements perspective.

In preparing the document, we have relied on the Global Reporting Initiative (GRI) standards in their main version.

The report is posted on the company's website. We welcome feedback and suggestions by all of our stakeholders regarding this report. Please use the following contact details to share them:

E-mail: OCG@omskcarbon.com (make sure your letter is provided with the "Sustainability Report" mark

Mailing address: 19 Pushkin str., 644024, Omsk, Russian Federation

About the Company

The company's full business name in Russian:

Общество с ограниченной ответственностью «Омский завод технического углерода»

The company's brief business name in Russian:

ООО «Омсктехуглерод»

The company's business name in English:

Omsk Carbon Group OOO

Registered address:

125284, Moscow, 31A, Leningradskiy prospekt, building 1, floor 18, suite 1, room 15B

Mailing address:

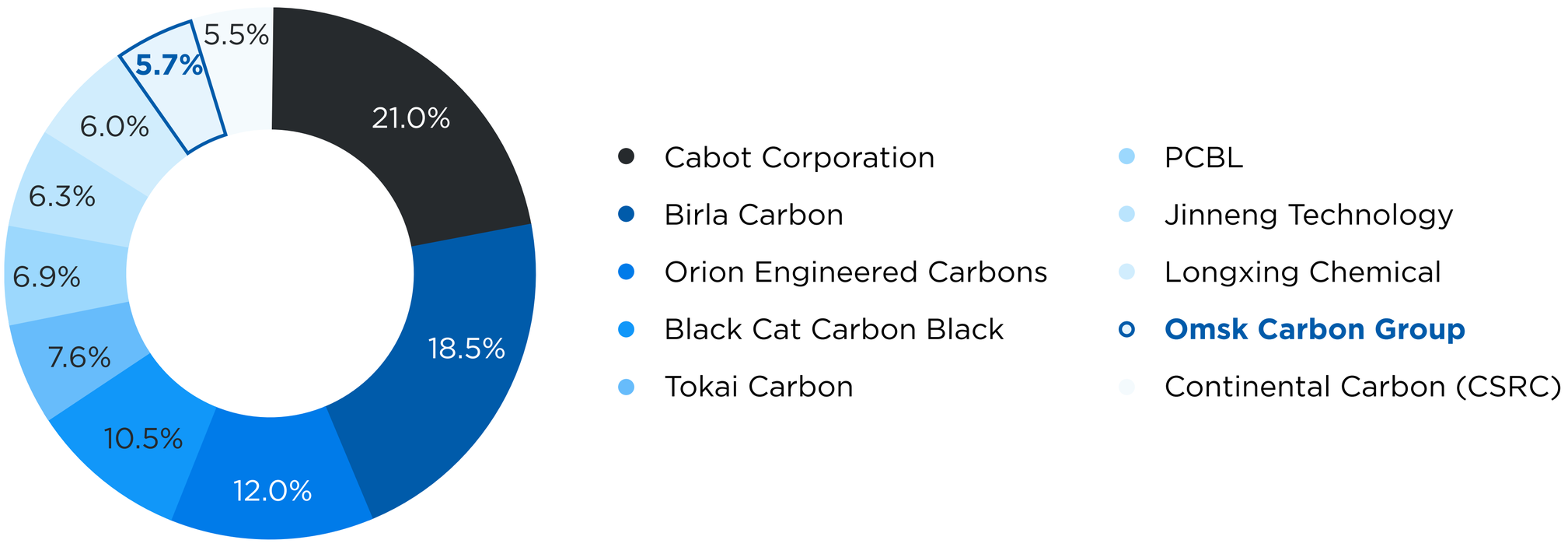
19 Pushkin str., 644024, Omsk

The company's principal activities:

- **Commercial-scale manufacture of various grades of carbon black and heat production,**
- **Organizing and financing research programs in the development of petrochemical technologies,**
- **Developing and enhancing processes and organizing the commercial-scale manufacture of new types of petrochemical or other products.**

Omsk Carbon Group ranks among the top ten manufacturers of carbon black across the globe and is the largest manufacturer in Russia and the CIS.

The World's Carbon Black Market



Geographical Footprint



Logistics center

Warehouse

R&D center

Production Site

1. Omsk (Russia) — plant, office, R&D center.

2. Volgograd (Russia) — plant

3. Mogilev (Belarus) — plant

4. Istanbul (Turkey) — logistics center, office

5. Gebze — warehouse

6. Mersin — warehouse

7. Singapore / Malaysia — office (Singapore) with a warehouse in Port Klang (Malaysia).

8. Shanghai (China) — logistics center, office

9. Qingdao —warehouse

10. Lianyungang — warehouse

11. Guangzhou — warehouse

Omsk Carbon Group cooperates with major international tire groups of companies, manufacturers of mechanical rubber goods, plastics, paints and other products containing carbon black. Products are supplied to 35 countries of the world, namely: to Asia (with China, Thailand and India as key consumers), CIS countries, the Middle East (primarily Turkey), Europe (before sanctions adoption in the middle of 2024) as well as South America and Africa.

Quality control for received feedstock and outgoing products is performed by our QA laboratories accredited by the Russian Federal Accreditation Service (RusAccreditation) and the Belarusian State Accreditation Centre for technical independence and competence and having certification in the ISO/IEC 17025 international standard. The labs are provided with state-of-the-art equipment for the testing of carbon black for compliance with ASTM D or GOST requirements. Allen Bradley, an automation system based on the Rockwell Automation microprocessor technology, is used for process control.

Today Omsk Carbon Group is pursuing intensive growth based on the expansion of our product range with new high-dispersity, pigment and conductive grades of carbon black much needed in key industries. Going forward, Omsk Carbon Group will continue to boost its production and financial performance, looking to the growing market needs.

Products



Carbon black is a high-dispersity amorphous carbonaceous product manufactured on a commercial scale and widely used as a reinforcing filler for rubbers, a black pigment for inks and paints as well as a filler for plastics or cable sheaths imparting special properties to them.

Around 70% of the total carbon black output is used for tire manufacturing, some 20% goes into other rubber products and around 10% finds usage in other, not related to rubber, applications (plastics, paints, varnishes, xerographic compositions, etc.).

Omsk Carbon Group manufactures the widest in Russia and the CIS and constantly expanding array of products, comprising more than 30 grades of carbon black. Specialty grades are produced under our own OMCARB trademark.



Tires

Over 75% of commodity-grade carbon blacks are used for auto tire manufacturing. Without CB, a passenger car tire could not last more than 100 km.



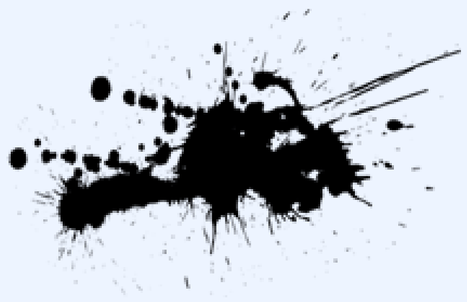
MRGs

Over 12% of commodity blacks go to the production of MRGs. Applying OMCARB-series high-purity soft blacks leads to an **up to 5%** reduction in the cost of end products.



Plastics

Plastics account for **more than 8%** of carbon black. Using P-type grades extends the service life of polymer pipes **to 50 years.**



Coatings, Inks, Toners

Approx. 3% of our CB (OMCARB-series) is used for the production of inks, toners or other paints and varnishes.



Power Sources, Batteries

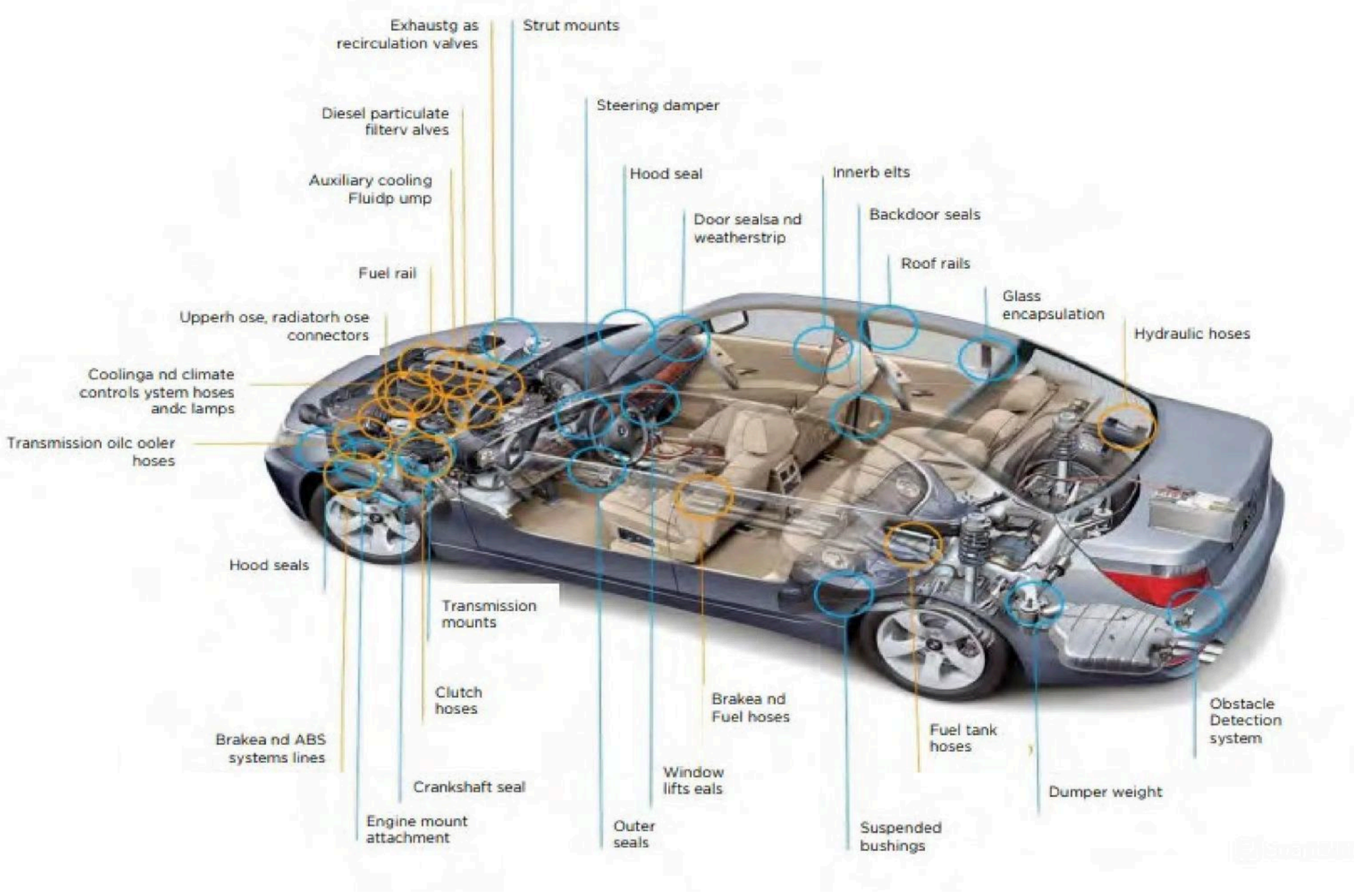
Some 2 % is used in producing batteries or electrical cells. CB finds usage in meeting IT sector demands and devising new technologies for transportation.



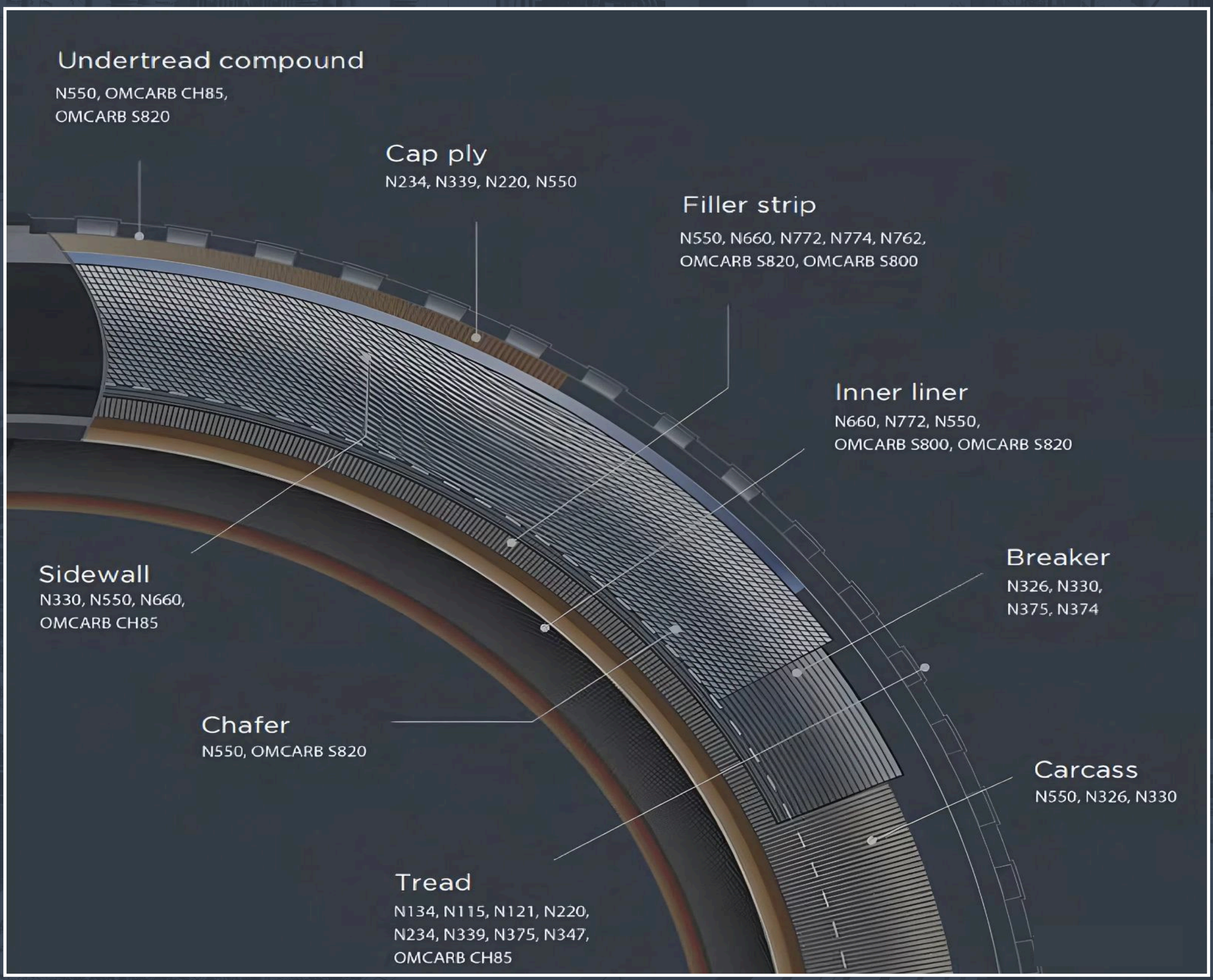
Items in Contact with Food

Around 1% (low-PAH FA-series CB) is used as a coloring agent in plastic items being in contact with food.

Carbon Black Applications in the Automotive Industry



Carbon Black Applications in the Tire Industry



Sustainability Management

Omsk Carbon Group's executives of different levels are responsible for the management of sustainability activities.

The strategic management of matters related to sustainability efforts along with the consideration and approval of top-level documents fall within the competence of the General Directors of Omsk Carbon Group OOO and Omsk Carbon Mogilev IOOO.

The following units are responsible for day-to-day management of sustainable development matters:

Industrial Safety Department

The Head of Industrial Safety Department along with the heads of OHS Divisions are responsible for the fulfillment of industrial safety, fire safety, occupational health and safety, environmental protection, civil defence and emergency response requirements.

HR Units

The responsibilities of our HR Director and heads of HR Divisions include compliance with employment regulations and commitment to welfare for personnel, developing employees' personal competencies and improving labour productivity and labour satisfaction.

Legal Development Unit

Our Director for Legal Development and the heads of local legal divisions oversee compliance within the activities of our entities, keep employees updated on the applicable legislation and organize studies of relevant laws and regulations for our officers.

Security Department

The Director for Economic Security and the heads of security divisions are responsible for fighting fraud and corruption and preventing unlawful acts.

Sustainability management also occurs at the business unit level.

Our trade union committees are primarily tasked with aligning employees' and the employer's interests in shaping and implementing our HR and social policies.

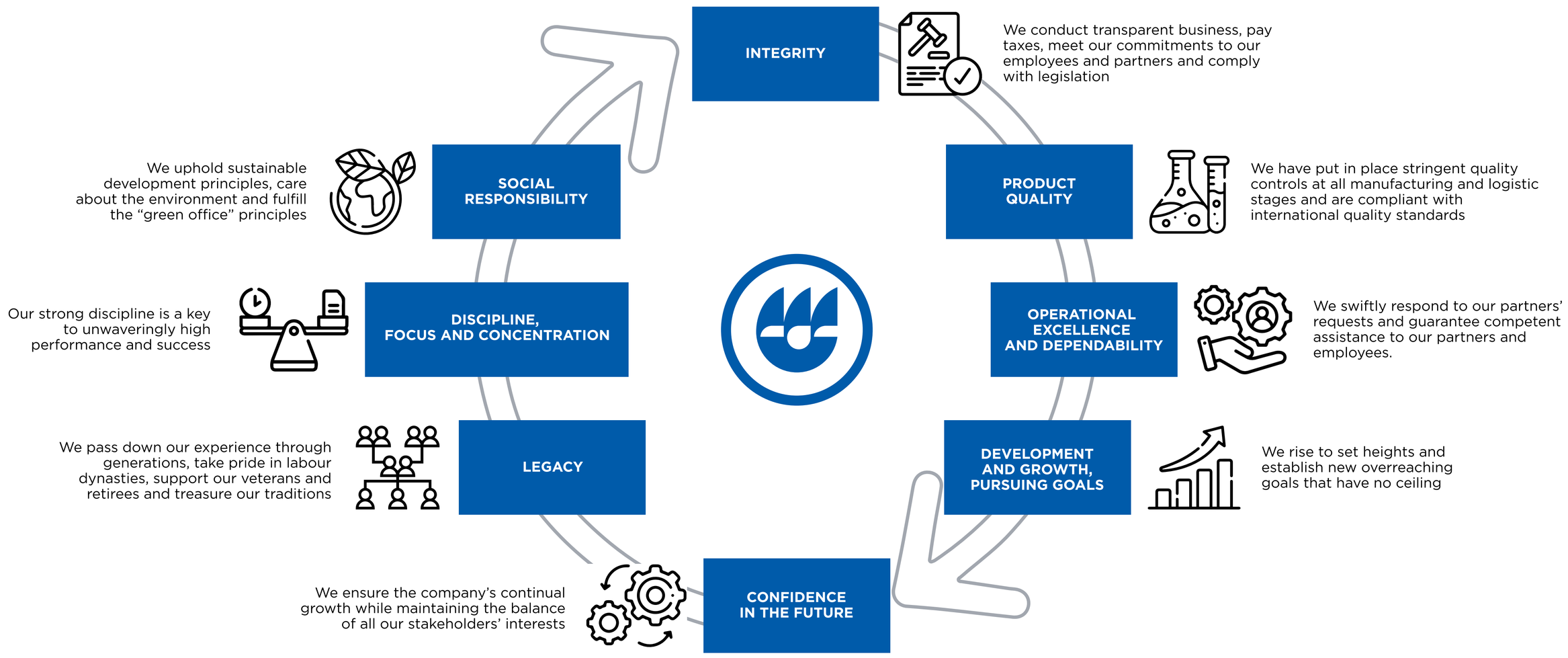
Collective bargaining agreements are in place at Omsk Carbon Group OOO, its Volgograd-based branch and Omsk Carbon Mogilev IOOO. The collective bargaining agreements establish the employer's obligations to collaborate in the OHS area and to regard the promotion of healthy and safe working conditions as one of the top-priority tasks, and guarantee that our working conditions, compensation and benefits will be far above the minimum level provided by the applicable laws.

The Quality Assurance Unit prepares Omsk Carbon Group's yearly Sustainability Report

Sustainable Development

As a major carbon black manufacturer, Omsk Carbon Group strives to incorporate sustainability principles and values into its day-to-day operations. We are aware of the fact that sustainable development is vital to our stability, competitiveness and the ability to create value for our stakeholders in the long run.

Corporate Values



Omsk Carbon Group's key sustainability areas:

Economic stability

Omsk Carbon Group's aim is maintaining steady economic growth and creating a long-standing value for Omsk Carbon Group.

Employee wellbeing

Omsk Carbon Group's aim is to ensure safe working conditions, a fair compensation package and professional growth opportunities.

Environmental protection

Omsk Carbon Group's aim is to minimize any adverse impacts of its operations on the environment.

Local communities development

Omsk Carbon Group's aim is to contribute to economic prosperity, social and cultural progress in the geographies of its presence.

Omsk Carbon Group maintains an open dialog with its stakeholders and actively implements a variety of involvement mechanisms to make sure our relations are transparent and to mutual benefit.

Omsk Carbon Group's commitments are based on advanced internationally recognized standards and best practices. Omsk Carbon Group fully endorses the provisions of the UN Universal Declaration of Human Rights and respects civil, political, economic, social and cultural human rights.

Sustainable Development Priority

The sustainable development goals were adopted at the 70th Session of the UN General Assembly in September 2015 as the new global program Transforming our world: the 2030 Agenda for Sustainable Development. The agenda consists of 17 goals, including 169 targets. One special feature of these goals is that they are addressed not only to governments, but also to other participants of the sustainable development process in the world: businesses, civil society and all private persons.

Omsk Carbon Group understands the importance of the SGDs adopted by the UN General Assembly for tackling significant economic, environmental and social issues. Omsk Carbon Group seeks to make its own contribution to the accomplishment of the global goals by implementing fair and transparent business principles, reducing the effects of its operations on the environment and local communities and maximizing the benefits it can bring to the society as a result of integrating the goals into its business.

Omsk Carbon Group facilitates the achievement of the UN goals not only within its core operations, but also through the endorsement of, and involvement in, different projects and initiatives aimed at protecting the environment in the presence regions, improving the quality of life and developing science, education and culture.



Omsk Carbon Group's Contribution to the Achievement of the Sustainable Development Goals

Sustainable development goals	Omsk Carbon Group's contribution	Targets imple-mented	Accomplishments 2024
	**Ensure a decent standard of living and facilitate equal access to social aspects:** • Creating employment opportunities in presence regions. • Social investment.	1.1 1.2 1.4	Average monthly salary grew by 17.2% in FY2024. Omsk Carbon Group employee's average salary is 60% higher than the Omsk Re-gion's average, 41% higher than the Vol-gograd Region's average and 36% higher than the Mogilev Region's average. FY2024 charity spending amounted to RUB 7,257 thousand.
	**Ensure healthy lives and promote well-being for all at all ages:** • Securing high standards of medical services for employees. • Supporting projects promoting a healthy lifestyle among employees, notably young professionals, and their family members.	3.4 3.8 3.9	Existing contracts for employees' statutory medical insurance. All employees were provided with pre-employment and routine checkups. VSK Insurance House and the Belarusian company Belgosstrakh engaged as the providers of voluntary medical insurance covering all employees. Existing contracts for vaccination as per the National Immunisation Schedule. More than 1,500 employees and their family members took part in international, federal, regional or corporate sports competitions: the SIM Marathon; Russian Ski Run; the ZaBeg.RF half-marathon, the VeloOmsk bicycle race; region-, city-, district- and company-level Olympics; city-level and company-level tourist rallies; competitions held within the Mogilev Free Economic Zone.
	**Ensure comprehensive and fair quality education and promote lifelong education:** • Providing training and skills upgrade opportunities to all employees. • Involving educational institutions in employees' training and skills upgrades. • Offering work experience internships to students. • Teaching students at the Carbon Black Manufacturing Processes and Apparatuses industrial chairs.	4.3 4.4 4.7	Обучено 2800 сотрудников. Среднее количество часов обучения на одного сотрудника — 44. 152 студента и учащихся прошли производственную практику.

Sustainable development goals	Omsk Carbon Group's contribution	Targets imple-mented	Accomplishments 2024
	**Achieve gender equality and empower all women and girls:** • Providing equal social guarantees and creating equal opportunities for high performance and professional advancement for all employees regardless of the gender.	5.5	Women accounted for 32.6% of our senior management.
	**Ensure the availability and sound use of water and sanitation:** • Reducing the consumption of freshwater, including surface water. • Using water saving technologies. • Minimizing impact on water bodies by ensuring the required condition of treatment plants and meeting the limits for treated wastewater discharge.	6.3 6.4 6.6	The amount of circulation water used for manufacturing remained unchanged. Gross water discharge to surface bodies remained at the prior year's level.
	**Ensure access to affordable, reliable, sustainable and modern energy:** • Reducing electricity consumption. • Generating electrical power.	7.2 7.3	Overall electricity consumption remained unchanged from the year before. Overall amount of electricity generated was unchanged.
	**Promote sustained, inclusive and sustainable economic growth, employment and decent work for all:** • Paying taxes. • Creating added value in the presence regions' economies by enhancing own production capacities. • Ensuring the highest possible wages and benefits, and the best working conditions possible. • Respecting and protecting labour rights and providing safe working conditions for all employees. • Implementing policies that respect labour rights, including freedom of association and collective bargaining, non-discrimination and combatting workplace violence.	8.1 8.2 8.4 8.5 8.6 8.8	Aggregate taxes, customs duties and charges decreased by 24.8%. Personnel expenses including insurance contributions grew by 21.1%. There was an 18.7% increase in monthly average salary. Omsk Carbon Group was shortlisted in Headhunter's 2024 employers competition Attractive and Open Employer Successfully Developing HR Processes and the Company Image. In 2024, Omsk Carbon Group also won second place in the "Promoting a Healthy Lifestyle within Manufacturing Companies" category at the regional stage of a national social performance competition.

Sustainable development goals	Omsk Carbon Group's contribution	Targets imple-mented	Accomplishments 2024
	**Build resilient infrastructure, promote sustainable industrialization and foster innovation:** • Investing in projects for the upgrading and development of production infra-structure in the regions of presence. • Strengthening technological capabilities through investments in R&D.	9.1 9.2 9.4 9.5	Investment projects financing grew by 144%, of which production capacities creation/expansion and upgrading accounted for 41% and R&D projects accounted for 1%.
	**Ensure sustainable consumption and production patterns:** • Maintaining conformity of the existing environmental management system to international standards. • Reducing the amount of industrial waste. • Increasing amounts of waste recycled.	12.1 12.2 12.5	Environmental management system recertified to the ISO 14001:2015 standard. Investment in environmental protection remained at the prior year's level. The amount of waste generated was unchanged. The amount of waste sold to external parties for re-purposing remained unchanged. The amount of recycled corundum scrap increased by 21%.
	**Take urgent action to combat climate change and its impacts:** • Reducing carbon dioxide emissions (CO_2) by consuming less energy and improving efficiency.	13.3	The amount of CO_2 emissions remained at the prior year's level.
	**Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss:** • Reclaiming disturbed land and landscaping. • Social and environmental campaigns conducted together with municipal authorities.	15.1	Landscaping projects implementation: 115 nursery plants and 225,440 flower seedlings planted; 2,542 m2 of flower gardens decorated. Staff members participated in "Green Russia", a Russian community cleanup event, and the "Forest Week" event held in Belarus.
	**Promotion of peaceful and inclusive societies for sustainable development, the provision of access to justice for all, and building effective, accountable institutions at all levels:** • Including on human rights protection. • Proactively implementing initiatives to combat corruption or bribery, preventing conflicts of interest.	16.3 16.5 16.6 16.7 16.10	Rigorous compliance with the principles of our Social Policies. No contraventions of law recorded, including in respect of human rights protection. Strict compliance with the principles of our Anti-Fraud and Corruption Policies, effective use of anti-corruption mechanisms: 6,730 suppliers and contractors undergone due diligence screening; selecting contractor entities through bidding procedures; assessing suppliers' activities for corruption-related risks.

Sustainable development goals	Omsk Carbon Group's contribution	Targets imple-mented	Accomplishments 2024
	• Working with governmental authorities with a view to satisfying the local communities' needs.		No contracts terminated or non-renewed with our business partners due to any identified corruption-related violations or any legal proceedings initiated against the company or its employees based on alleged involvement in contravention of anti-corruption laws. The company is socially and legally proactive in identifying and preventing its suppliers' corruption schemes or attempts to involve the company's personnel in such corruption schemes.
	**Revitalize the global partnership for sustainable development:** • Maintaining effective partnerships between governmental entities, be-tween public and private sectors and between civil society organizations.	17.17	Supplying heat to Omsk's two microdistricts – Moskovka and 40 let Oktyabrya. Omsk Carbon Group was shortlisted in Headhunter's 2024 employers competition Attractive and Open Employer Successfully Developing HR Processes and the Company Image. In 2024, Omsk Carbon Group also won second place in the "Promoting a Healthy Lifestyle within Manufacturing Companies" category at the regional stage of a national social performance competition. Omsk Carbon Group OOO and its Volgograd branch rank among the top ten tax paying enterprises in the Omsk Region and the Volgograd Region, respectively.

Involvement in International, National and Regional Sustainability Initiatives

The UN Global Compact is a voluntary international social responsibility initiative aimed at facilitating steady economic growth and enhancing corporate social responsibility which brings together 12,000+ companies based in over 160 countries.

The Global Compact's principles are stated on the basis of the Universal Declaration of Human Rights, the International Labour Organization's (ILO's) Declaration on Fundamental Principles and Rights at Work and the Rio Declaration on Environment and Development.

Though not directly participating in the Global Compact, Omsk Carbon Group's management team extensively support the idea behind it, strive to rely on the ten fundamental principles in their activities and endorse the UN sustainable development goals intended to improve the wellbeing of the present and future generations.

The UN Global Compact Principles

Areas	Principles	
Human Rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights
	Principle 2	Businesses should make sure that they are not complicit in human rights abuses
Labour	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
	Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour
	Principle 5	Businesses should uphold the effective abolition of child labour
	Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges
	Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility
	Principle 9	Businesses should undertake initiatives to promote greater environmental responsibility
Anti-Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery

Omsk Carbon Group considers the UN Global Compact principles at the strategic and operational management levels. Being an integral part of our strategic development, the principles are embedded in Omsk Carbon Group's system of internal regulations which expressly govern the operation of our core business processes.

Responsible business management is one of Omsk Carbon Group's principal values. The company adheres to, and shares, the principles of fundamental international declarations and conventions on human rights, labour, anti-corruption and the environment, including:

- The UN Universal Declaration of Human Rights;
- The UN Declaration on the Environment and Development;
- The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work;
- ILO's Freedom of Association and Protection of the Right to Organise Convention No. 87;
- ILO's Right to Organise and Collective Bargaining Convention No. 98;

ILO's Convention concerning Discrimination in Respect of Employment and Occupation No. 111.

The principles of those international documents are outlined in our internal regulations and integrated into the corporate business processes.

Omsk Carbon Group directly facilitates the achievement of the UN's goals not only as part of its core operations, but also by supporting and participating in diverse projects and initiatives designed to protect the environment in operations areas, improve the quality of life, develop science, education and culture.

Investor Carbon Disclosure Project is an international partnership that initiated a project to collect information about companies' environmental activities in respect of GHG emissions.

More than 700 financial institutions with $142 trillion in assets and over 280 major buyers with over $6.4 trillion in procurement are involved in the project. Using its own tool, CDP encourages companies to disclose their environmental impacts, reduce GHG emissions, protect water resources and forests, and develop action consistent with the goals and targets described in the Paris Climate Agreement.

Every year CDP updates and enhances assessment criteria for environmental and societal impacts mapping these to such international standards as GRI Standards, IFRS S2, Task Force on Climate-related Financial Disclosures (TCFD), Task Force on Nature-related Financial Disclosures (TNFD) and the UN Global Compact principles.

In FY2024, members of our units and departments collected information requested by the group's customers to gain insight into our resource conservation efforts made in the context of the climate change and GHG emission issues.

Taking a comprehensive approach to data analysis, we arrived at indicators for Scope 1, Scope 2 and Scope 3 emission categories. As part of the efforts to reduce our carbon footprint, our R&D Center developed an internal calculation methodology and substantially adjusted the use of data for calculation models applied previously.

Particular focus was placed on the group's business strategy in terms of dealing with climate change. Following a detailed analysis, it was decided to complete in the next two years the development of a climate protection plan for Scope 1, Scope 2 and Scope 3 emissions in light of the Paris Agreement's most ambitious aim – to limit global temperature rise to 1.5 °C.

Omsk Carbon Group's integrated management system is certified to the ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 international standards and is compliant with the IATF 16949:2016 requirements. In 2024, our integrated quality management system was recertified as conforming to ISO 14001:2015 and ISO 45001:2018. We also confirmed continued compliance of our management system with ISO 9001:2015 and IATF 16949:2016.

As a consumer of coke-chemical products, Omsk Carbon Group OOO holds membership of the TK 395 “Coke and Coke-Chemical Products” standardization technical committee.

In FY2024, Omsk Carbon Group OOO, as a member of TK 395, continued its work on drafting the GOST 2770-2024 Coal Tar Oil for Wood Treatment. Technical Requirements standard (superseding GOST 2770-74), which started in 2023. The year also saw the company’s continued involvement in drafting GOST R Coke and By-product Process. Part 1. Terms and Definitions based on the international ISO 1213-2:2024, NEQ standard. Moreover, we continued participation in voting on six other drafts of interstate standards and amendments to interstate standards.

In a bid to minimize its environmental impacts, ensure maximum protection for natural resources and reduce the amount of waste, Omsk Carbon Group extensively supports “green office” principles.

The project’s essence is meeting voluntary commitments to improve the environment of office spaces. Participating in the project means reduced office maintenance costs, a real contribution to lower energy consumption and decreased GHG emissions.

The following “green office” principles are in place at Omsk Carbon Group:

- Using modern energy-saving (LED, fluorescent) lamps and light fixtures in outdoor and indoor lighting systems;
- Optimizing the modes of electrical equipment and heat consumption in buildings;
- Using multisystems in place of air conditioners;
- Utilizing an electronic document management system to reduce the amount of printouts;
- Purchasing printing paper with eco labeling;
- Implementing energy efficient power equipment;
- Making use of metering devices, water flow and heat consumption regulators;
- Separate collection and accumulation of waste.

Omsk Carbon Group annually takes part in “Green Spring”, a nation-wide environmental cleanup organized by the Green Russia environmental social movement.

Omsk Carbon Group annually takes part in “Green Spring”, a nation-wide environmental cleanup organized by the Green Russia environmental social movement.Each year, Omsk Carbon Mogilev participates in the Forest Week republican campaign organized by Belarus’ Ministry of Forestry.

The campaign focuses on forest conservation and forest expansion, being crucial to maintaining biodiversity and ecological equilibrium. Participants’ understanding of the importance of our planet’s greening is representative of their conscious attitude to the environment and willingness to being involved in environmental initiatives over the long term.

Omsk Carbon Group participates in actions comprising the “Clean Air” federal project within the “Environment” national project.

Stakeholder Engagement

As part of sustainable development, Omsk Carbon Group attaches particular importance to building up fair and win-win relations with its stakeholders, striving to accommodate their interests and concerns, be compliant with Russian and Belarusian laws, fulfill contractual obligations, and protect and respect human rights across its business processes.

Our key stakeholders are individuals and legal entities whose actions, interests or safety could be affected by, or affect, Omsk Carbon Group's operations. To continually improve the interaction process, we seek to obtain feedback from both internal and external stakeholders.



As part of its official trip to the Mogilev Region, on 26 March 2024, the Omsk Region's officials headed by Governor Vitaly Khotsenko visited our Mogilev site. Praising the company, Mr. Khotsenko pointed out the uniqueness of the facility for Belarus, high technologies and willingness to expand the plant's capacity.

During the Omsk delegation's eventful visit, Omsk Carbon Group's investment project was mentioned on multiple occasions. On March 25, Belarus' President Aleksander Lukashenko received the Omsk Region's representatives in Minsk. Discussing trade and economic cooperation with the Russian region, the head of the state commended successful investment interaction, with Omsk Carbon Mogilev being a striking example of joint project implementation.

Key stakeholders:

- Investors
- Partners and shareholders
- Customers
- Employees and trade unions
- Governmental authorities
- Supervision and oversight authorities
- Local self-government authorities
- The presence regions' population
- Suppliers and contractors
- Educational institutions
- Research community
- The mass media

An open dialogue with stakeholders is vital to the achievement of high performance and strategic goals, improvement of business efficiency and risk management. To maintain an effective dialogue, Omsk Carbon Group uses a whole gamut of communication channels the choice of which depends on the modalities of engaging with a particular stakeholder group.

Pursuant to President's orders, comprehensive national-scale projects are run in Russia. One of these, the National Ecology Project is being implemented in the City of Omsk, including at the level of Omsk Carbon Group OOO. With a view to improving the environmental setting and the health of the Russian population, the project involves environmental protection efforts in the following areas: waste disposal and waste treatment; eliminating landfills; forest and water body conservation; reducing air emissions; promoting ecotourism and environmental education; preserving biodiversity. The project participants include governmental authorities, realizers, federal project supervisors, NGOs and people. The implementation is to be completed by 2026.

As part of the Ecology Project, the implementation of the federal Clean Air project is underway in Omsk involving Omsk Carbon Group. The project includes a 20% emission reduction experiment in 12 industrial cities to be completed by 2026. The project seeks to establish a control and monitoring system for pollutant emissions by large industrial companies and introduce the best technologies available at enterprises such as an environmentally sound product manufacturing technology based on modern-day scientific and technological advances.

Developed in the course of the Clean Air project, an integrated plan for the City of Omsk provides for measures to reduce emissions of pollutants.

The participants of the Omsk Integrated Plan include: Omsk Administration, the Federal Ob-Irtysh Weather Control and Environmental Monitoring Service and Omsk's major companies such as the city's oil refinery, the TGK-11 heating energy provider, Omsk Carbon Group, Omsk Rubber, Omsk Tire, Omsk Polypropylene Plant, the Omsk RTS heating energy provider, First Cargo Company, Saturn and Omsktransmash.

The Clean Air project is being implemented in accordance with Federal Law of 26 July 2019 N 195-FZ. In a bid to reduce the level of air pollution in the 12 selected industrial cities, there is an experiment to establish quotas for pollutants emissions (with the exception of radioactive substances) into the air based on air pollution summary calculations.

With summary calculations and health risks assessments completed for every city involved, a list of priority pollutants was determined for every area under the experiment.





Quotas (maximum allowable quantities for harmful substances to be emitted) were set for the participant companies, with deadlines established for reporting on the efforts to stay within the quotas. In 2021, Omsk Carbon Group OOO also received quotas specifying the allowed value of emissions which should be reached by 2026 through taking approved emission reduction measures.

As a participant of the emission quota experiment, Omsk Carbon Group OOO developed its Action Plan for Staying within Quotas for Pollutants Emissions into the Atmospheric Air included in an Omsk Comprehensive Action Plan for Reducing Pollutants Emissions into the Atmospheric Air approved by Viktoria Abramchenko, Deputy Chair of the Russian Government. The actions are to be completed by 31 December 2026. Enacted in 2021, Federal Law of 02 July 2021 N 296-FZ On Reduction of Greenhouse Gases Emissions introduces new concepts such as a register for GHG emissions, a register for carbon units, climate projects and verification. A large amount of GHG-related regulatory documentation, including emission calculation methods for specific types of manufacturing facilities, has been published. The RF government assigns the “regulated entity” status to companies based on criteria predicated on the type of business or other activities accompanied by GHG emissions equivalent to 150,000 tonnes of carbon dioxide or more.

The regulated entities must yearly submit reports on their GHG emissions before July 1 of the year following the reporting year to a competent federal agency. Omsk Carbon Group OOO meets the regulated entity criteria and thus is required to annually report its greenhouse gas emissions.

GHG emissions, namely the products’ carbon footprint, raise concerns among carbon black consumers. Our customers are interested in purchasing products manufactured with negligible GHG emissions. To this end, they request calculations of our greenhouse gas emissions.

We completed an inventory of air emission sources, calculated maximum allowable air emissions and, based on those calculations, obtained a certificate of compliance of our draft documentation with public health requirements.



Because on 01 March 2022, the authorization for collecting, transporting, treating, disposing of, neutralizing and placing I and II hazard class waste was transferred to a federal operator, Omsk Carbon Group OOO registered itself with the Federal Government Information System for Accounting and Control of Handling I and II Hazard Class Waste, a national digital platform, and entered into a waste removal agreement with the federal operator. Pursuant to the agreement, the operator picked the following types of waste for disposal and neutralization: mercury lamps, lead/acid batteries for uninterrupted power supply units with electrolyte fluids and undamaged used magnesian/zinc alkaline electrical cells.

To fulfill the statutory requirements for GHG reporting, Omsk Carbon Group OOO developed a methodology for calculating its greenhouse gas emissions. Once approved, the methodology has been used to calculate the amount of GHG emissions, including the amount of CO2 emitted in producing a tonne of a specific CB grade.



Sergey Masliak, Belarusian Minister of Natural Resources and Environment Protection, visited our Mogilev site as part of its official trip to the Mogilev Region in September 2024 to get insight into the carbon black manufacturing technology and the governmental environment control system in place at the facility. The head of the government's environmental agency expressed a high opinion of Omsk Carbon Group's Belarusian manufacturing site. Mr. Masliak commended the fact that the company's management put a priority on environmental matters and took environmental concerns seriously.

For our internal stakeholders, the most in-demand communication channels are Zavodskie Vesti, a corporate newsletter, and meetings with management at which our managers share operational results for a period and further development plans.

Omsk Carbon Group is committed to an unhindered, fair and multilateral dialogue with all of its audiences. An overview of the company, its products and sustainable development efforts, contact and hotline details are available at Omsk Carbon Group's website, including in the English language:

Omsk and Volgograd	Mogilev
https://omskcarbongroup.com https://en.omskcarbongroup.com	https://ocm.omskcarbongroup.com

News is posted in the "Newsroom" section, consisting of the "Company news", "Events" and "Publications" subsections. During FY2024, Omsk Carbon Group continued to actively develop and employ social media.

Our Presence in Social Media



OOP and VF

VK

Youth Commission

VK

Omsk Carbon Mogilev

VK

The aims of maintaining social media accounts:

1. Providing the public with insight into Omsk Carbon Group's activities
2. Improving general loyalty to the organization
3. Sustaining an image as an up-to-date advanced company
4. Attracting workforce

Managing Sustainability Risks



Risk management is a by-product of our success and growth. Our business readily accepts new ideas, projects, business models and innovation, which increases its complexity and risk exposure.

Developing a “risk-oriented” culture inside it, Omsk Carbon Group seeks to leverage on risk man-agement to accomplish its strategic and operational goals and make the right management decisions. Our senior management team takes the lead in this process and demonstrates permanent dedication to risk management. Ensuring the company’s growth while at the same time mitigating its risks is a key to long-standing success.

Risk management policies are in place at our company. These ensure we are focused on risk man-agement and create responsibility at all levels of Omsk Carbon Group’s organizational structure. Through establishing and promoting stringent risk management standards, we achieve our corporate goals related to the protection of people, assets, earnings and the environment.

In planning, Omsk Carbon Group considers factors with external and internal conditions in mind and determines the risks and opportunities for which action is required:

- To secure the achievement of anticipated results.
- To enhance desired effects.
- To avert or mitigate negative consequences.
- To attain improvement.

The risks listed below do not constitute the entirety of risks our company is exposed to. There may be other risks so far not known or appearing insignificant which could adversely affect our operations and financial performance:

- Customer relationships risks
- Feedstock availability and pricing risks
- Regulatory risks
- HR management risks
- Environmental risks
- OHS risks
- Corruption risks
- Risks associated with the engagement of third parties (vendors)
- IT security risks

Human Rights



In the human rights area, Omsk Carbon Group relies on Russian laws and follows the principles of the Human Rights Declaration, ILO Declaration on Fundamental Principles and Rights at Work and oth-er international requirements in this area. Omsk Carbon Group OOO is compliant with all of the Global Compact human rights requirements.

Omsk Carbon Group places a particular emphasis on ensuring full compliance with all of the applicable laws and regulations. To this end, we have developed a package of internal documents containing the ethical standards and fair business practices which all employees should observe.

Omsk Carbon Group provides working conditions meeting all internal and external requirements:

- Complies with the prohibition on child and forced labour
- Guarantees the protection of human dignity and privacy
- Acknowledges the right to freedom of thought, conscience and expression
- Puts no obstacles to unionization
- Provides decent pay and social security to all staff members
- Seeks to avoid harm to the residents of the presence areas by its operations

Our principal documentation governing such matters:

- Management Systems Policies
- Social Policies
- Anti-Fraud and Corruption Policies
- Ecologically Responsible Purchasing Policies
- Code of Conduct

The company guarantees no discrimination on the grounds of race, gender, ethnic origin, religion, political or other views, sexual orientation, national or social origin, wealth or any other status, or other factors not related to job performance.

In accordance with Omsk Carbon Group's Code of Conduct, compliance with business conduct rules and ethical standards constitutes an essential part of the corporate governance system. Integrity and honesty in performing job duties and the observance of business ethics regulations are required from all staff. The principles, rules and regulations set out in the Code are further developed and detailed in the company's other internal regulations.

At Omsk Carbon Group, labour relations are governed by the requirements of the RF's Labour Code and the Republic of Belarus' Labour Code. The Labour Codes list the jobs which women are restricted from doing, the jobs forbidden to persons of less than 18 years of age, prohibit forced labour, promote the protection of labour rights and freedoms, establish the procedure for resolving employment-related disputes and liability for acting contrary to labour laws or other regulations containing norms of labour law.

To effectively ensure respect for employees' rights, we consistently handle feedback and requests by employees, law enforcement authorities, the trade union and the Federal Labour and Employment Service.

Implementing workforce development and support programs, Omsk Carbon Group promotes its employees' socioeconomic rights to, among other things, social security, education, family welfare, housing, creative freedom and involvement in cultural life.

Drafts of documents governing social or labour relations (internal regulations such as collective bargaining agreements, by-laws, regulations on compensation and bonus payments as well as employment contracts and orders on disciplinary action or termination) are subject to pre-approval by in-house counsel.

Omsk Carbon Group's obligations corresponding to rights of the citizens affected by the company's operations basically arise from environmental laws.

Omsk Carbon Group's Code of Conduct establishes a discrimination-free working environment where every employee can contribute to the overall performance and make full use of their capabilities and potential. All employees and job applicants are assessed based on their professional competence, experience and abilities. Any decisions made for reasons not related to an employee's or a job applicant's performance (e.g., based on race or ethnical origin, gender, religion, political views, nationality, age, sexual orientation, family status, disability, etc.) are discriminatory and prohibited both by law and the principles Omsk Carbon Group relies on.



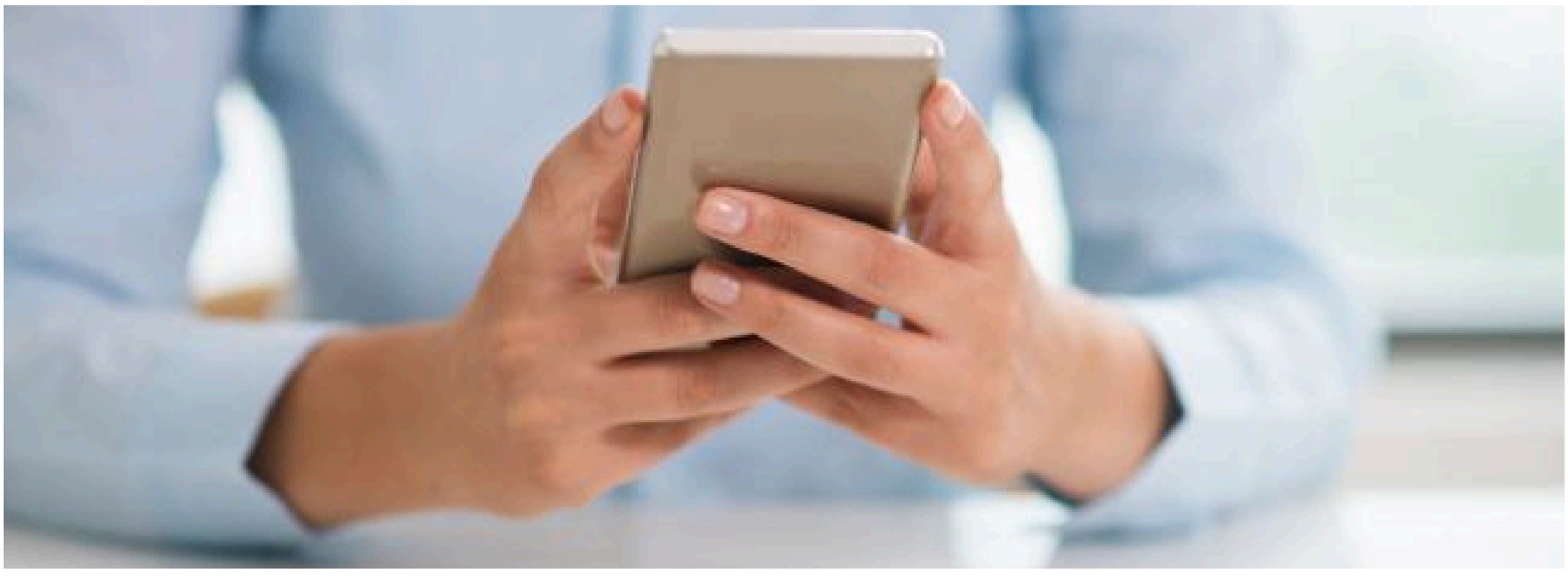
Child labour and forced labour are strictly prohibited across Omsk Carbon Group's and its suppliers' operations. Omsk Carbon Group requires its suppliers to observe the same ethical principles as it observes. We annually conduct assessments of human rights risks.

To gain assurance that human rights are fully respected, Omsk Carbon Group interacts with its stakeholders on an ongoing basis using various two-way communication channels. There is a hotline at Omsk Carbon Group providing direct access by stakeholders via different channels such as phone, email and Russian Post. At Omsk Carbon Group, we carefully review any reports, suggestions or questions, whether public or anonymous, regardless of the applicant's status. Omsk Carbon Group welcomes transparency and unhindered dialogue and encourages all its stakeholders to be involved in it. Labour dispute commissions were established to resolve employment-related issues, with no applications in FY2024.

All of the human rights commitments and matters related to the management of risks associated with potential or actual human rights violations resulting from the company's activities are integrated in our internal regulations. Omsk Carbon Group incorporated respect for human rights standards into all areas where the risks of violation exist such as interaction with personnel, organizing procurement and contractors' works, safety and security.

For human rights requirements to be met, staff members must have relevant knowledge. Therefore, the company organizes appropriate training and raises personnel's awareness on a systemic basis. The company's human rights requirements are included in a number of training programs and internal regulations that all employees must know. Employees undergo human rights training as part of the "Onboarding School" course, when confirming or raising their grades or as part of targeted training. 100% of our staff are familiarized with internal regulations governing human rights matters, with signature acknowledgement in relevant logs.

Hot Line



Omsk Carbon Group's hotline is a system for collecting information on violations, abuse or embezzlement that enables reporting on known facts or suspicions.

The hotline was organized to accept applicants' reports, review them, prepare response and take appropriate action (where required).

Omsk Carbon Group guarantees confidentiality to persons who report on potential or existing violations and protection for both employees and third parties from any forms of pressure, retaliation or discrimination.

Applicants are free to send their reports in any form convenient, but there are a number of recommendations which, if complied with, speed up the consideration process. Where a report is made and sent in line with such recommendations, the applicant may expect an official response within the period established by the company's applicable internal regulations.

If economic, social or reputational effect, such as prevented damage, from a hotline report is identified, the non-anonymous whistleblowers may be rewarded.

To speed up the processing of a violation report, it should contain:

- ✓ The applicant's full name.
- ✓ Referred communication method (mailing address, phone or email).
- ✓ As many details of the violation to be investigated as possible.

Anonymous reports are processed too.

Currently, the Hot Line is available via the following communication channels: phone, email, Russian Post, Belarusian Post.

There are three reporting areas:

Regarding combatting fraud and corruption, preventing unlawful actions, including, without limitation, the following matters:	Address:
• Bribing an employee. • Exceeding authority by an employee. • Taking advantage of an employee's official position contrary to Omsk Carbon Group's legitimate interests for the purpose of deriving benefit. • Inducing an employee to corruption offence. • An employee's actual/potential conflict of interests. • Embezzlement of things of value by an employee. • Divulgence or unauthorized use of confidential information. • Inflicting damage/loss of profits. • Inflicting harm to reputation.	**Phone:** +7 (3812) 91-01-41 **E-mail:** a.nadtochiy@omskcarbon.com **Mailing address:** 19 Pushkin str., Omsk, 644024, Russian Federation (with the "for hotline" mark). **Phone:** +375 222 49-55-00 **E-mail:** o.galibin@omskcarbon.com **Mailing address:** Omsk Carbon Mogilev IOOO, west of Veino agrotown, Veino Rural Council, Mogilev District, Mogilev Region, 212035 Republic of Belarus (with the "for hotline" mark).

Regarding environmental and OHS matters, including, without limitation:	Address:
• Breach of environmental laws. • Breach of OHS laws or regulations. • Potential hazards or risks in the OHS area.	**Phone:** +7 (3812) 91-04-27 **E-mail:** a.kundaev@omskcarbon.com **Mailing address:** 19 Pushkin str., Omsk, 644024, Russian Federation (with the "for hotline" mark). **Phone:** +375 222 49-55-00 **E-mail:** v.dudkin@omskcarbon.com **Mailing address:** Omsk Carbon Mogilev IOOO, west of Veino agrotown, Veino Rural Council, Mogilev District, Mogilev Region, 212035 Republic of Belarus (with the "for hotline" mark).

Regarding HR management matters, including, without limitation:	Address:
• Human rights abuse. • Discrimination (e.g., on the grounds of race, ethnic origin, gender, religion, political views, nationality, age, sexual orientation, family status, disability, etc.). • Child or forced labour. • Employment relations.	**Phone:** +7 (3812) 91-05-16 **E-mail:** personal@omskcarbon.com **Mailing address:** 19 Pushkin str., Omsk, 644024, Russian Federation (with the "for hotline" mark). **Phone:** +375 222 49-55-00 **E-mail:** s.bobrova@omskcarbon.com **Mailing address:** Omsk Carbon Mogilev IOOO, west of Veino agrotown, Veino Rural Council, Mogilev District, Mogilev Region, 212035 Republic of Belarus (with the "for hotline" mark).

Trust-mail



Every employee can share their problems and voice their opinion, be heard by the Company's management and get advice needed or effective help as feedback.

Across Omsk Carbon Group companies, employees can anonymously express their opinion regarding any sustainability aspects. Trust-mail boxes are installed for anyone to report their problems, or voice company development initiatives, suggestions on improvement of the compensation system or social policies, or willingness to grow professionally or upgrade skills. Trust email is also available via the PRO Carbon24 EI portal.



Our trust-mail boxes can be found at the following locations:

- Omsk Carbon Group OOO (Office Building, Central Amenities Building)
- Volgograd Branch (Office Building, Central Amenities Building)
- Omsk Carbon Mogilev lOOO (Office Building)

People

Omsk Carbon Group treasures its employees and seeks to make sure our incentive system fully unlocks every staff member's potential.

We have taken a comprehensive approach to creating appealing and competitive working conditions, training and development, shaping the corporate culture and implementing our comprehensive social policies.

In its business, Omsk Carbon Group is guided by the principles of respect towards people and ensuring equal rights and opportunities. Any discrimination on the grounds of gender, nationality, religion, political views, etc. in hiring, promoting or providing benefits is not tolerated. In particular, we guarantee equal remuneration to women and men occupying equal positions. Omsk Carbon Group encourages an open and transparent exchange of information and regularly receives feedback from its employees.



Omsk Carbon Group's strategic goals:

Conformity to Russian and international standards for the respect, support and promotion of human rights

Meeting the needs for highly skilled workforce to cope with day-to-day or strategic objectives

Personnel Structure

Staff composition

Personnel	FY2024
Total employees	**2 785**
Men	1 831
Women	954 (34,2%)
Including those with disabilities	21
Total senior managers	**46**
Men	31
Women	15 (32,6%)

Omsk Carbon Group upholds women's aspirations for leadership and management. The fact that less women are working for us than men can be explained by regulatory requirements restricting women's work at companies with harmful working conditions.

Executive employees from among the communities of the presence regions

Executive employees from among the communities of the presence regions	FY2024
Senior managers	**46**
Including from among local residents	39
Percentage of local senior managers, %	**84,8%**

Personnel gender and age structure

Age	Under 18 years of age	18–30 years of age	31–50 years of age	51 years of age or more
Year	**2024**	**2024**	**2024**	**2024**
Total	None	1837	506	655
Men	None	1199	337	410
Women	None	638	169	245

Newly hired workforce

Age	Under 18 years of age	18–30 years of age	31–50 years of age	51 years of age or more
Year	**2024**	**2024**	**2024**	**2024**
Total	None	242	57	65
Men	None	164	35	38
Women	None	78	22	27

Workforce left

Age	Under 18 years of age	18–30 years of age	31–50 years of age	51 years of age or more
Year	**2024**	**2024**	**2024**	**2024**
Total	None	216	102	81
Men	None	152	74	43
Women	None	64	28	38

Workforce turnover

Workforce turnover rate	2022	2023	2024	
Total, %	9,08%	9,78%	11,05%	

In FY2024, employee turnover rate slightly rose and reached 11.05%.

Engagement



Omsk Carbon Group offers its employees a competitive level of compensation (at or above the market average values). There is zero tolerance to discrimination. Skills, capabilities, credentials and experience are what matters in deciding on the amount of pay when it comes to hiring, and career achievements are what matters when it comes to promotion. Gender, age or ethnicity is irrelevant. Base salaries and rates of pay are annually raised to reflect the anticipated growth in the consumer price index according to the RF Ministry of Economy or the Belarusian Ministry of Economy.

The year 2024 saw a 21.8 per cent increase in the average monthly salary against 2023.

In addition, all of Omsk Carbon Group's employees can benefit from monetary and nonmonetary incentives exceeding the ones required by employment laws. Such incentives include vacation bonuses, annual performance-based bonuses, partial reimbursement of medical treatment expenses, additional pay to recent graduates and retiring staff members, professional holiday bonuses, food allowances, taking employees to and from work, reimbursement for stay at recreation centers for employees and their family members, etc.

Salary

On average, a salary paid to an employee of Omsk Carbon Group

on 60% > than the average salary in the **Omsk Region**

on 41% > than in the **Volgograd Region**

on 36% > than in the **Mogilev Region**

Social welfare benefits

Social welfare benefits, RUB thousand	2024
Social expenses, including: • vacation bonus, • holiday bonus, • partial meal allowances, • social expenses, including financial aid under bargaining agreements.	176 655

The collective bargaining agreements provide for Omsk Carbon Group's core principles and approaches in the social welfare domain. A benefits package is available to all of our employees. It includes both statutory benefits and fringe benefits as per the bargaining agreements.

Taking care of our employees' and their family members' health has long been one of the priorities pursued in Omsk Carbon Group's social policies.

We entered into contracts for employees' statutory medical insurance, and all our employees receive scheduled health checks. Our contracts for voluntary medical insurance with VSK Insurance House and Belgosstrakh cover all employees. A voluntary medical insurance policy includes both government-run and private health care facilities. The sum insured provides for employees' access to a broad range of medical services, including medical advice, medical supervision, lab testing, ultrasound examinations, functional diagnostics, etc. With free choice of doctors, no waiting in line and personalized approach, the insurance makes healthcare services highly convenient for our employees.



Personnel Development and Training

To develop its employees' potential, Omsk Carbon Group implements different training and development programs, provides continuous in-house professional training and works out targeted programs for workers, specialists and management. Employees are trained throughout their professional lives based on tailor-made learning programs.

The system for continuous professional education involves several types of learning:

Mandatory learning	Targeted learning	Periodic learning
Mandatory learning required to ensure the necessary competence level in order to be admitted to work at hazardous production facilities.	Targeted learning provided for certain professions in given areas.	Periodic learning needed to maintain employees' proficiency.

There are additional programs for the training of employees comprising our talent pool.

Training and skills upgrades are rolled out in the following formats:

The online mode	Intramural training
The online mode based on information technologies and education platforms, videoconferencing and webinars.	Intramural training in classrooms equipped with all necessary aids: projectors, magnetic boards, dry erase boards and flip charts.

Number of employeestrained

No. of employees trained	FY2024
Total	2 800
Management and specialists	1 285
Workers	1 386
Talent pool	129

The duration of training per employee averaged 44 hours.





Collaboration with Educational Institutions



Omsk Carbon Group attracts young people as a potential employer thanks to the company's competitive pay, steady jobs, professional and career opportunities, strict compliance with employment laws and appealing welfare benefits.

One of the aspects of working with youth is the company's involvement in students' education at specialist educational institutions. Interaction with such institutions is, therefore, one of Omsk Carbon Group's focal areas.

We regularly conduct targeted tours for students. Our representatives participate in preview days hosted by educational institutions, job fairs, presentations and panel discussions on graduates' employment prospects. The company annually provides internships for students.

Organizing internships for students

With a view to infusing a fresh spirit, work experience and research internships have become a tradition for Omsk Carbon Group. We co-work with the following universities and vocational schools within the presence regions:

- Omsk State Technical University
- F.M. Dostoevsky Omsk State University
- Omsk State University of Railway Engineering
- K.G. Razumovsky Moscow State University of Technologies and Management
- Volgograd State Technical University
- Volgograd State Agrarian University
- National Research University "Moscow Power Engineering Institute"
- Omsk Polytechnic
- Volgograd Industrial Technical School
- Omsk Industrial and Economic School
- Omsk Aviation School
- Omsk Road Transport School
- Volgograd Power Engineering School
- Volgograd Gazprom College
- V.I. Vernadsky Volgograd Engineering College
- Belarusian-Russian University
- Mogilev State Food Supply University
- Mogilev Technology School
- Mogilev Industrial School

Youth Policy

Working with young professionals



Working with young employees is an essential part of Omsk Carbon Group's HR policies designed to secure an uninterrupted supply of workforce, attract youth and facilitate their successful and efficient onboarding and self-actualization.

Onboarding action comprises two components: getting to know the company and workplace adaptation. Our HR Division organizes the former via a new employee training course. A new employee's line manager is responsible for the latter.

Developing the concept of mentorship plays a vital part in the system for working with young professionals as this ensures continuity in professional experience, best production practices and the corporate culture. Mentors are designated from among the superior or equal-ranking employees.

Working with young workers and specialists, up to 30 years of age	FY2024
No. of young employees	366
Percentage of young employees in headcount, %	13%
No. of young specialists	11
Young employees hired	71
No. of students interned	152





Working with Trade Unions

Omsk Carbon Group recognizes employees' rights to freedom of trade-union association and collective bargaining. One of the priority objectives of our social policies is entering into long-term bargaining agreements with trade unions. The trade union committees established at our sites align employees' and the employer's interests when shaping and implementing the HR and social policies.



Sergey Artemyev

Trade Union Chair

Omsk
+7 (3812) 91-04-23
2518
+7 (913) 605-00-58
s.artemyev@omskcarbon.com



Svetlana Vechkasova

Trade Union Chair

Volgograd
+7 (8442) 66-59-08
5908
+7 (906) 404-22-64
s.vechkasova@omskcarbon.com



Andrey Petrovskiy

Trade Union Chair

Mogilev
+375 (29) 3079584
4150
a.petrovskiy@omskcarbon.com

The collective bargaining agreements between the employer and the employees adopted at employees' general meetings are currently in effect at Omsk Carbon Group OOO, its Volgograd-based branch and Omsk Carbon Mogilev IOOO.

The bargaining agreements fix the employer's commitment to collaboration in the OHS field and to creation of healthy and safe conditions for employees, and complement statutory safeguards in terms of compensation, benefits and working and living conditions.

To make the co-work effective, senior management regularly holds meetings with the trade unions' representatives and employees. No conflicts or collective labour disputes were recorded in 2024.

The year saw no violations of human rights to the freedom of association or collective bargaining.

Training is provided for newcomers as part of onboarding seminars discussing human rights proce-dures, organizational structure, rules of procedure, employment contracts, compensation, the existing col-lective bargaining agreement, social security, etc.

The trade unions also facilitate participation by employees and their family members in cultural and sports events at international, federal, regional and company levels such as the Siberian International Marathon; Russian Ski Run; the ZaBeg.RF half-marathon; the VeloOmsk bicycle race; region-, city-, district- or plant-level Olympics; city-level and company-level tourist rallies; competitions held within the Mogilev Free Economic Zone.

The Social Policies, approved by the General Director on March 18, 2022, are in place at Omsk Carbon Group OOO.



Their objectives include:
Protecting employees via a system of benefits and guarantees provided by the government, employment laws or the company's management
Safeguarding interests of all parties to the production relationship
Reproducing workforce

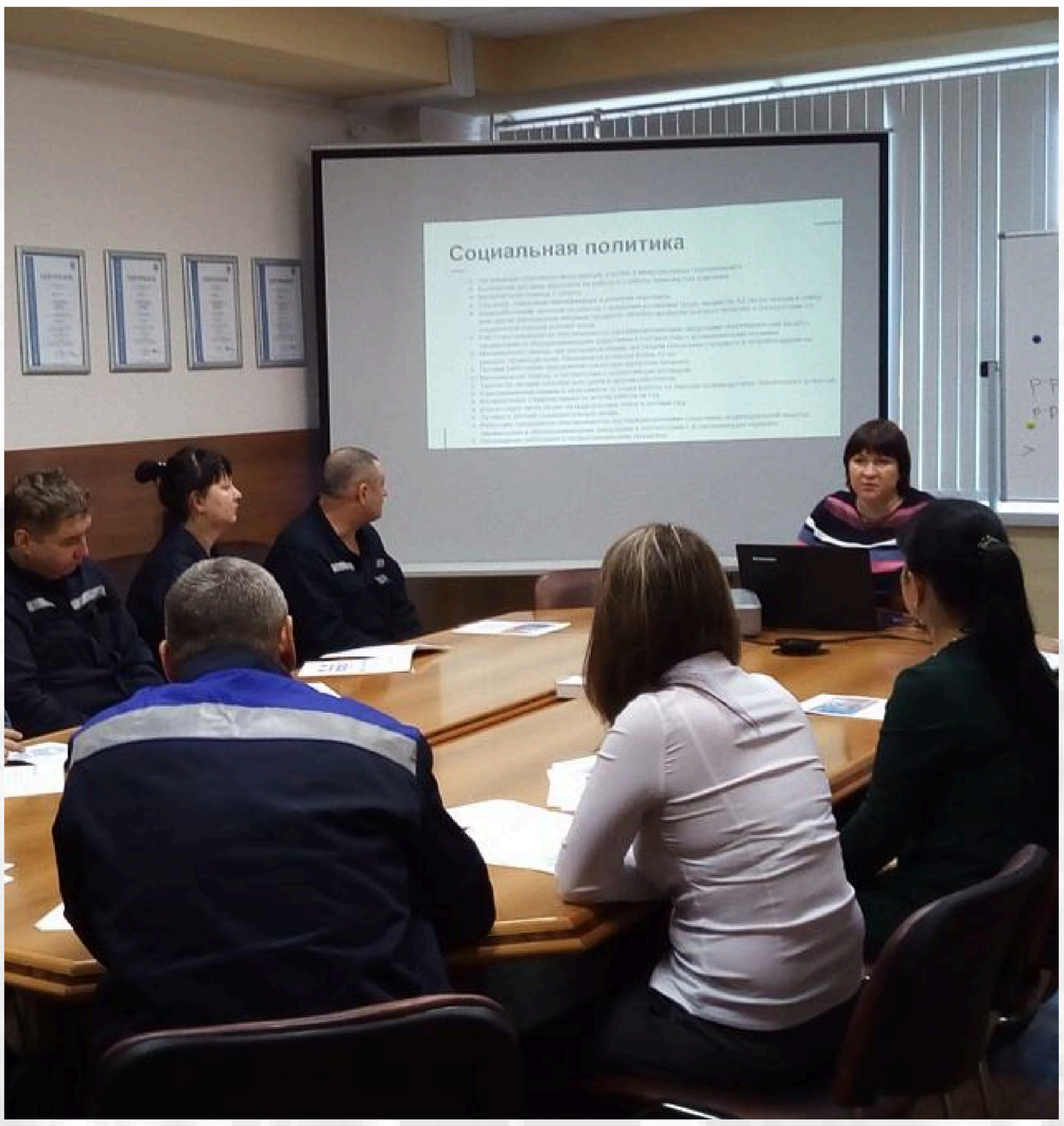
These provisions are also incorporated into the collective bargaining agreements of Omsk Carbon Group OOO and its Volgograd branch.

The Social Policies make sure that Omsk Carbon Group is compliant with employment laws and contains the following guarantees:

- Regular payment of salaries
- Indexing salaries on a yearly basis
- Higher payments, reduced working days and additional leave entitlement for abnormal working conditions
- Pre-employment and routine health checkups
- No labour by children or persons under 18 years of age
- No discrimination on the grounds of gender, nationality, religion, political opinions and any other grounds when hiring, promoting or supplying benefits
- Observing OHS rules and regulations
- Promoting work-life balance
- Protecting personal data

The welfare benefits and guarantees set forth in the Social Policies:

- Taking personnel to and from work using the company's vehicles at no charge
- The availability of medical facilities at the plant premises
- Enhancing technological infrastructure and workplace comfort
- Personnel training, skills upgrading and development
- Awarding employees on their professional holiday
- One-time bonuses depending on the seniority of working at the carbon black plants
- A one-time vacation bonus
- A one-time bonus based on annual performance
- Partial meal allowances for all shop workers and other employees
- Financial aid in accordance with the collective bargaining agreements
- Financial aid for resigning persons who have reached the age of retirement and have worked over 15 years at a carbon black plant
- Health resort vouchers for employees
- Children's summer camp vouchers
- Additional days off for employees on their special occasions
- Organizing sports events, participating in cross-industry competitions





Occupational Health and Safety



As with any industrial manufacturing process, carbon black manufacturing is fraught with a high level of production risks. Because of this, ensuring safety of all employees and contractors is paramount for Omsk Carbon Group. Our approach to OHS management comprises promoting safety culture among staff members and contractors, complying with all applicable laws as well as monitoring and managing risks.

Occupational health and safety management is a crucial component of Omsk Carbon Group's sustainability efforts and success over the long term.

Omsk Carbon Group's strategic objective is maintaining the Vision Zero injury frequency rate.

The company received ISO 45001:2018 certification for its occupational health and safety management system.

The corporate safety culture forms a critical part of OHS management. Identifying key health or safety risks is integral to the OHS system. OHS briefings and training supply employees with the knowledge and skills needed to perform their work safely. Every employee annually takes a test to check the knowledge of working instructions and OHS rules.

Omsk Carbon Group established documented OHS procedures designed to mitigate risks, including workplace hazards associated with the potential of inflicting harm on employees' life or health, improve working conditions, and minimize the risk of workplace injuries, incidents or accidents while raising personnel's awareness and understanding of their personal OHS responsibility, pursuant to which:

- Risk identification cards have been developed for each workplace
- OHS agreements have been entered into between the employer and employees represented by the shop-floor trade unions

Omsk Carbon Group budgets and utilizes substantial amounts for its OHS activities:

Expenses for OHS activities, RUB thousand	2024
Expenses for OHS activities, including: - PPE expenses - Health maintenance - Statutory workplace assessment of labor conditions - Purchasing legal, regulatory or standard process documentation, safety signs, posters, etc. - Occupational injury and disease insurance - Liability insurance for businesses operating hazardous production facilities - Expenses under a contract for disease control and prevention testing - Expenses under a contract with accident rescue units - Fire safety expenses	**132 978**

There was an increase by 10.1% in OHS spending in 2024 as compared to 2023.

Workplace injury prevention

Occupational health and safety management is an essential part of Omsk Carbon Group's sustainability efforts and success over the longer term. Our strategic objective is maintaining a zero injury frequency rate.

To this end, Omsk Carbon Group provides its employees with briefings, training and knowledge assessments on safe working practices.

Briefing types:

- introductory briefing
- initial briefing (at workplace)
- refresher briefing
- off-schedule briefing
- targeted briefing

Training types:

- theoretical instruction
- hands-on training (for employees exposed to harmful or hazardous working conditions)

Knowledge assessment types:

- knowledge assessment and clearance to work unsupervised
- routine knowledge assessment
- extraordinary knowledge assessment

Omsk Carbon Group puts much emphasis on workforce training in the industrial and occupational safety area.

Workforce training in the industrial and occupation safety area	FY2024
No. of managers and specialists certified in industrial safety	192
No. of workers trained and certified based on the results of targeted safe operation courses*	164
No. of managers, specialists and workers trained and certified in basics of fire safety	118
No. of managers and specialists trained and certified in occupational safety	784
Total	1 258

*Targeted courses cover the following topics:

- Safe operation rules for pressure vessels
- Rules for the design and safe operation of steam and hot water pipelines
- Gas-based units maintenance with the authorization to perform hazardous gas works
- Training for operators of working cradles located on a lift (tower)
- Road safety rules for drivers (annually)
- Training for carbon black production operators
- Management systems training for personnel
- Preparation for a scheduled knowledge assessment for electric and gas welders
- Preparation for a scheduled knowledge assessment for elevator operators
- Operating rules for heat-generating power plants
- Basics of fire safety for workers performing electric and gas welding or other hot works
- Safe operation rules for hazardous facilities

For accident prevention purposes, we follow our documented procedures to conduct comprehensive inspections of working and industrial safety conditions across our business units and check compliance with statutory OHS requirements. In 2024, we conducted OHS inspections at 54 units of our companies as per the year's inspection schedules.

In the course of such inspections, compliance with statutory or other OHS requirements is assessed on the basis of The List of Statutory and Other Occupational Health and Safety Requirements of Omsk Carbon Group OOO and The List of Statutory and Other Occupational Health and Safety Requirements of Omsk Carbon Mogilev IOOO. The audits focus on irregularities in maintaining documentation, units' sanitary conditions, the completeness and correctness of using personal protective equipment, etc.

Preventing Incidents or Accidents and Emergency Response

Omsk Carbon Group has identified potential accidents and emergencies with adverse effects on the environment and OHS and developed the procedures for preparing for, responding to, or preventing such situations and mitigating their potential environmental, health and safety impacts.

Ensuring the preparedness for accidents or emergencies means the allocation of organizational, human, technological, financial or other resources as necessary to avert, contain or eliminate, near-misses, accidents and their consequences.

Omsk Carbon Group's hazardous production facilities are identified and recorded in national registers.

No accidents, emergencies, incidents, fires or ignition were recorded at Omsk Carbon Group's sites throughout FY2024.

Our sites have developed action plans for emergency preparedness and response and addressing any civil defense or emergency challenges, whether natural or man-made:

- Oil and petroleum product spills prevention and containment plans
- Hazardous production facilities accidents containment and recovery plans
- Action plans for the prevention and elimination of natural or man-made emergencies



At our plants, we established facility-based commissions for emergency prevention and containment, and fire safety.

There are services contracts with emergency response teams to ensure continuous availability of a professional response team's efforts and resources for the containment of, and recovery from, emergencies associated with systems or equipment depressurizing, oil or petroleum products spills and emissions of harmful, explosive or hazardous substances at the production facility.

Omsk Carbon Group plants yearly hold emergency drills and exercises involving all working shifts during the year as scheduled.

Drill/exercise type	FY2024
Emergency drills conducted as per accident containment and recovery plans for workforce preparedness for action in the event of an accident at hazardous production facilities	24
Training exercises completed for workforce preparedness for action in the event of an accident at hazardous production facilities	591
Fire safety drills (topic-based exercises) conducted	11
Comprehensive civil defense and emergency situation exercises completed	3
Special tactical training exercises on civil defense and emergency situations completed	1
Civil defense and emergency situation table top exercises completed	2

Environmental Protection



Environmental conservation for future generations is an integral part of Omsk Carbon Group's company culture and business principles. We seek to attain leadership in minimizing our environmental impacts and integrating environmental concerns into our operations.

Omsk Carbon Group's environmental management system is ISO 14001:2015 certified.

Improving environmental efficiency, which is assessed based on specific consumption of natural resources and emissions, is one of Omsk Carbon Group's primary goals.

Provided with all required environmental facilities, our plants meet modern-day environmental safety demands.

Effluents, including storm sewage, are rendered harmless at our local waste treatment plants, and tail gases generated in the manufacturing process are treated in waste heat boilers. Our sophisticated circulation water system many times reduces our needs

for fresh river water to be used for manufacturing purposes.

To conduct environmental monitoring, we use both our internal quality assurance lab, which is accredited to monitor emissions, discharges and the environmental status within the sanitary protection areas, and third-party laboratories.

Our baseline environmental protection principles are:

Meeting requirements of the Russian and Belarusian laws and regulations issued by the federal, regional or local authorities, regarding environmental protection, OHS, product quality and safety as well as the requirements provided for by contracts with our customers, including specifications, and applicable to the company's operations.

Using natural resources sustainably, which involves:

Reduced consumption of energy (with primary energy resources including water and natural gas and secondary resources including electricity and thermal energy) and its efficient use at our plants by developing and implementing energy saving and energy efficiency programs.

Maintaining the maximum efficiency and environmental safety of the operating modes of power equipment affecting the environment (boilers and water treatment equipment) by conducting timely process flow tests and making process flow diagrams (at least once every 3 years); communicating them to maintenance staff and overseeing compliance.

Ensuring accident-free operation of power equipment (including hazardous production facilities) and uninterrupted utilities supply to the plants' operations and external consumers by observing industrial safety rules, including the organization of proper industrial control of hazardous production facilities and power generation systems, timely and quality maintenance and repairs of power equipment and training of maintenance staff, including accident-prevention and fire safety drills.

Environment protection and scheduled environmental action expenses

In FY2024, expenses for environmental protection and the fulfillment of scheduled environmental activities amounted to RUB 2,800,655 thousand, 5.5% up on 2023.

Omsk Carbon Group also facilitates the development of its vendors by sharing expertise and over-seeing their compliance with environmental requirements as part of contractual relations.

Industrial environmental control is in place at Omsk Carbon Group to ensure the making of envi-ronment protection efforts, promote environmental stewardship and secure compliance with statutory environmental requirements in the course of operations.

During FY2024, pursuant to a documented procedure for the control of compliance with statutory environmental requirements and fulfillment of environmental activities, we conducted environmental inspections across our business units as per environmental inspection schedules.



Sustainable use of natural resources

Water consumption

Water is one of the essential resources in Omsk Carbon Group's day-to-day operations. Improved water efficiency and prevention of any associated accidents with environmental effects, therefore, remain a priority in making our environment protection efforts.

At Omsk Carbon Group OOO, we basically use water to produce our carbon blacks, generate steam and cool down equipment. A closed-loop recirculation system is in operation at our facilities, with river water fed for replenishment.

In FY2024, total water consumption remained practically unchanged (0.7% increase vs 2023), equaling 6,439,196 m3.

Omsk Carbon Group's facilities contain local waste treatment plants where physicochemical treatment of process and storm sewage occurs.

Our yearly routine includes cleaning collection ponds, maintaining water supply networks and equipment, and replacing filter media in water treatment filters.

Water discharge to surface bodies

The Volgograd site's wastewater goes to a sewer before entering treatment plants of Kaustik OAO engaged under a water disposal contract. The design of our Mogilev site does not provide for discharging treated wastewater.

At Omsk Production Site, excessive treated water is carried away through an external intercepting sewer. The amount of effluents in 2024 remained unchanged from the year before.

Natural gas consumption

Natural gas is one of the key resources needed for Omsk Carbon Group's day-to-day operations; hence, reduced natural gas consumption per tonne of carbon black is one more focal area for our environmental efforts.

Natural gas is basically used in our carbon black production technology and for the operation of WH boilers generating heat (heating water, producing steam).

The overall 2024 gas consumption decreased by 2.5% against 2023, amounting to 305,435 thousand m3.

Electricity generation and consumption

Total electricity produced, kWh thousand	224 343
Total electricity consumed, kWh thousand	329 590

The total amount of electricity produced in 2024 did not change from the year before.

The 2024 amount of electricity consumed remained at the prior year's level.

Electrical power is produced at our own co-generation plants in Omsk, Volgograd and Mogilev having the installed capacity of 18,000 kW each. The co-gens use steam-driven turbine plants which utilize the steam produced by combusting tail gas at waste-heat boilers. Utilizing the tail gas for power production, we give that waste, otherwise burnt, a second life.

Electricity generated internally covered 68.1% of the needs of Omsk Carbon Group's facilities in FY2024.

Heat consumption

The 2024 overall heat consumption was 1,516,576 Gcal, 8.6% down against 2023.

Omsk Carbon Group's sites are implementing their long-term energy saving and energy efficiency programs for specific types of our activities:

- heat generation in heating and industrial heating boiler houses;

- transporting cold water and effluents;

- electric power transmission.

The programs contain targets for saving energy and improved energy efficiency and specific ac-tions designed to achieve them. Quarterly program implementation reports are submitted to oversight authorities.

We record the amounts of energy used by our operations and external consumers, with the records being processed and compiled in monthly, quarterly and annual reports to be relied on for the analysis of energy utilized by the company and the consumers. Whenever any deviations from standards or limits are identified, corrective actions are taken, and instructions and notices are issued.

Setting up efficient and safe modes for the combustion of boiler fuel and the utilization of tail gas-es in WHB furnaces during heat generation (heating water, producing steam) is underway. Specialized providers perform process flow tests for every boiler at least once every 3 years, resulting in the prepara-tion of process flow diagrams serving as guidance for the boilers operation.

Our top priority measure to reduce energy consumption and GHG emissions involves operating at the Omsk, Volgograd and Mogilev sites own co-generation units with the installed capacity of 18,000 kW each, covering 70% of the facilities' needs for electric power (own power is generated by steam turbine plants harnessing steam produced by WH boilers based on tail gas). Tail gas is also used in heat exchange equipment for carbon black production lines and at a heating boiler house.

Waste Handling

One more priority area for Omsk Carbon Group is the implementation of action aimed to reduce the amount of waste released into the environment. We handle our waste in line with the requirements of the RF and Belarus environmental laws and developed required waste generation standards and waste disposal limits. The Volgograd-based branch is a third-category facility in terms of negative environmental impact and as such is not obligated to draft waste generation standards or waste disposal limits. Arrangements for the disposal of waste on the premises were made.

A hazardous waste profile sheet is available for every waste type at Omsk Carbon Group OOO and its Volgograd branch. Waste profiling is not required for Omsk Carbon Mogilev IOOO in accordance with Belarusian law. All types of our facilities' waste are within the allowable annual generation limits. Our group's entities have licenses for the transportation, treatment, disposal, neutralization and placement of I–IV hazard class waste, authorizing them to transport I–IV hazard class waste.



Waste generation and sales

For FY2024, the amount of waste we generated was unchanged from the prior level, amounting to 8,062 mt. The increased generation was due to major overhauls performed both in Omsk and Volgograd and preventive maintenance for our equipment.

If collected selectively, waste can be sold to third-party entities licensed for the handling of hazardous waste for their further treatment and use as secondary materials. We engaged contractors to transfer waste for disposal or repurposing.

The amount of waste we sold during FY2024 to third parties for further treatment and re-use (including ferrous scrap, non-ferrous scrap and carbon black sweepings) remained virtually at the prior year's level (1% down) and was 1,939.9 mt.

Reusing corundum scrap for the production of refractories

Corundum scrap is reprocessed (crushed) and reused to manufacture refractory products. The reuse of corundum scrap in FY2024 amounted to 43.73 mt, 21% up from FY2023.

Harmful (Pollutant) Substances Emissions and Discharges

Neither the Omsk Production Site (being a second-category facility in terms of negative environmental impact) nor the Volgograd Production Site (third-category facility) is required, under the Russian legislation, to hold an emission permit. Second-category facilities are required to submit an environmental impact declaration in respect of their emissions into the atmospheric air. Third- and fourth-category facilities are allowed to produce air emissions without having to obtain a comprehensive environmental permit or complete a declaration. Omsk Carbon Mogilev IOOO holds a permit for harmful (pollutant) substances with the emission quota of 913.294 mt/year. To prevent the yearly quota for the Mogilev site from being exceeded and keep emissions as low as possible, all plants within Omsk Carbon Group conduct preventive overhauls for process equipment. In a bid to reduce dust emissions, we maintain an effective system of dust control equipment by carefully observing the required filter operating parameters and replacing filter bags. With a view to decreasing air emissions, our storage facilities for hydrocarbon feedstock have dedicated apparatuses installed for each and every tank. Our motor vehicles are being replaced by Euro 5 petrol cars to reduce CO2 emissions, and Euro-5 compliant fuel is used for filling.

Emissions of pollutants

The actual emissions of pollutants by Omsk Carbon Group OOO, its Volgograd branch and Omsk Carbon Mogilev IOOO for the year 2024 were within the allowed limits.

One of the priorities pursued by Omsk Carbon Group OOO, its Volgograd-based branch and Omsk Carbon Mogilev IOOO is the implementation of measures designed to maintain emission levels within the allowable limits. At our production facilities in Omsk, Volgograd and Mogilev, we developed draft regulations on maximum permissible air emissions, had them approved and brought them into effect. All of the facilities' harmful (pollutant) substances emissions are within the allowable concentrations as required by the applicable regulations.

In order to reduce dust emissions, filter bags are continuously replaced in collection, aspiration and exhaust bag systems, which is critical to the effective operation of gas and dust removal equipment. To decrease its air emissions, the Feedstock Preparation Shop of Omsk Carbon Group OOO is equipped with a hydrocarbon recovery unit. Leak-proof feedstock discharge systems are in operation across our production sites, averting any emissions of pollutants into the air.

In order to monitor the air condition on the border of the sanitary protection areas of the Omsk, Volgograd and Mogilev sites, QA labs conduct daily tests. The technical competence of the laboratories as part of ISO/IEC 17025 accreditation was determined by RusAccreditation. Accreditation Certificate for the Laboratory of Omsk Carbon Group OOO No. ROSS RU.0001.511240. Accreditation Certificate for the Laboratory of Volgograd Branch No. ROSS RU.0001.512283. Omsk Carbon Mogilev's laboratory was accredited by the Belarusian Government-Run Accreditation Center, Accreditation Certificate No. BY/112 2.5341.

Throughout 2024, our Omsk, Volgograd and Mogilev sites regularly took air samples per schedules for testing atmospheric air on the borders of sanitary protection areas. No pollutants exceeded the maximum allowable concentrations.

Omsk Carbon Group OOO discharges its effluents into a water body based on a permit. The facilities are provided with a recirculation system. Process water is fed to the local treatment plant and re-appears at production lines. Excessive treated water, if any, is discharged into the River of Irtysh.

We monitor our water resources to ascertain whether the quality of inflow meets the relevant requirements and understand the water effects of our operations. We have also established routine testing for pollutants and microorganisms in effluents with a view to identifying and addressing any reasons for the deterioration of their quality in a timely fashion.

Neither our Volgograd branch nor Omsk Carbon Mogilev discharges effluents into water bodies.

Discharges of pollutants

In FY2024, the pollutants actually discharged by Omsk Carbon Group OOO were within the established limit. The Volgograd-based branch and Omsk Carbon Mogilev discharge no effluents into water bodies.

For Omsk Carbon Group OOO, the implementation of measures aimed at maintaining the discharge level within the allowable limit is a matter of top priority. We developed draft regulations on maximum permissible discharges of substances and microorganisms into water bodies, had them approved and brought them into effect. The Omsk Region's Ministry of Natural Resources and Environment issued a water use permit on the basis of the draft. All discharges of pollutants in effluents are within the allowable concentrations as per the approved draft regulations.

We monitor the condition of our water resources to ascertain compliance of the quality of inflow with applicable requirements and generally understand the water effects of our operations. We perform testing of effluent outflows from our operations as part of our industrial control practices. Both our internal QA lab and external laboratories conduct quality testing for the effluents. Our laboratory in Omsk is accredited for technical competence as per the ISO/IEC 17025 requirements.

Product Lifecycle Assessment



As any other industry, carbon black manufacturing is on track toward a dramatic reduction in GHG emissions by 2030 and achieving net zero carbon emissions by 2050.

Omsk Carbon Group sells products that ensure safety, environmental protection and other sustainability strengths for our customers. We are developers of innovative specialty grades of carbon black improving the quality of our customers' products thanks to their properties prolonging service lives, creating savings and optimizing efficient use of resources. Omsk Carbon Group seeks to expand our involvement in a circular economy, developing capabilities to use waste or byproducts as feedstocks. Oil and coke-chemical feedstock used as raw materials for carbon black are by-products of the petrochemical and coke-chemical industries, respectively. Using such feedstock, we give a new life to the waste otherwise having a limited use as a boiler fuel.

As a responsible manufacturer, Omsk Carbon Group realizes its responsibility to share full information about the health effects, safety and environmental aspects of our products. To this end, we have developed our Material Safety Data Sheets which are available in our customers' languages.

Our approach to sustainability involves the evaluation of our products' environmental impacts from cradle to gate, i.e. starting from feedstock transportation through the end of service life. We strive to trace and reduce our carbon footprint at every of the following stages. Omsk Carbon Group takes ownership of the feedstock transportation phase. We purchase as much of our feedstocks as possible from local suppliers, reducing our CO2 emissions.

During the production phase, raw materials are transformed into our final product – carbon black. This stage involves the greatest contribution into our overall carbon footprint while at the same time providing us with the greatest opportunities to decrease it. Tail gas generated at the group's plants is burned in waste heat boilers to form steam. In turn, steam is transformed into electricity. We utilize the electricity produced for our own operations and sell any excesses. We make use of varied packaging options to deliver our carbon blacks to customers such as small bags, big bags or bulk transportation in hopper rail cars. Our customers use carbon black for the production of countless items, from tires to cables and from inks to food packaging. End-of-life tires are recycled by pyrolysis. Pyrolysis-generated raw materials may be used in the production of carbon black. This cycle is representative of Omsk Carbon Group's commitment to circularity.

Protecting Biodiversity



Omsk Carbon Group has no operations within protected areas or areas of high biodiversity value. However, we are aware of potential effects of the carbon black manufacturing process on biodiversity in the geographies where we operate.

As such, Omsk Carbon Group seeks to promote the culture of careful attitude to nature and biodiversity among its employees and build the skills required for environmental project management and effective interaction with local communities.

Our group's companies place high emphasis on the conservation of natural ecosystems exposed in the course of manufacturing operations. We at regular intervals monitor background environmental conditions on the borders of the sanitary protection areas and assess the impact of our operations on those conditions. The monitoring results demonstrate that our facilities have no substantial direct or indirect impact on the biodiversity of the natural complex. For instance, average pollutant concentrations on the border of a sanitary protection area within which our operations occur do not exceed 50% of the upper limit of the safe level.

Moreover, in an effort to conserve biodiversity, the group's companies have long been engaged in landscaping and gardening not only at the premises of our facilities, but also within wider presence areas

Landscaping



Omsk Carbon Group is a regular participant of the so-called “green” community cleanup events. Our companies get annually involved in surrounding areas landscaping by financing the purchase of seedlings. During FY2024, our employees planted 115 trees of various species. Over the course of 2024, we also decorated 2,542 m2 of flower gardens.

Supply Chain Management



Omsk Carbon Group is committed to ensuring the compliance of its purchasing with all applicable statutory requirements and the principles of respect for ethical standards, human rights and environmental responsibility we have adopted.

Omsk Carbon Group’s purchasing principles

Transparency and partner relations:

The policy of openness, transparency, reinforcing confidence and respect towards suppliers.

Efficiency:

Conducting procurement procedures using the most efficient methods with minimum costs and without compromising quality.

Openness and equal treatment:

Any Russian or international company can freely compete to become our supplier as long as it fulfills all our requirements of safety, reliability and compliance.

Minimizing inventory levels:

Streamlining production and procurement processes to minimize inventory levels, with the absolute priority being process safety and continuity.

As a major consumer of goods and services, Omsk Carbon Group can contribute to the mitigation of social and economic risks within the supply change. Omsk Carbon Group seeks to cooperate with suppliers committed to sustainable development principles.

To implement sustainability principles, our vendors subscribe to Omsk Carbon Group's Supplier Code, and the requirements to meet environmental, labour and anticorruption laws (anticorruption clauses) are incorporated into our supply contracts. 52.7% of our suppliers are signatories to Omsk Carbon Group's Supplier Code.

Omsk Carbon Group rates its suppliers on the yearly basis. The criteria to be assessed include the conformity of their environmental management systems to ISO 14001 requirements and the conformity of their OHS management systems to ISO 45001. Having no certified management system affects the supplier's ranking and may lead to a lower category being assigned.

In selecting suppliers, we prefer those who have certified their environmental and OHS management systems for conformity to the ISO 14001 requirements and the ISO 45001 requirements, respectively.

Supplier sustainability scoring occurs using a self-assessment method. Suppliers are evaluated based on Omsk Carbon Group's environmental, OHS, human rights and ethics requirements, including in the course of supplier audits.

To assess our suppliers' sustainability efforts, we sent out Omsk Carbon Group's supplier CSR self-assessment questionnaires containing our requirements in such fields as the environment, occupational health and safety, human rights and business ethics. 52.7% of our suppliers have signed the questionnaires thus confirming their compliance. During supplier audits, we also evaluate whether our sustainability demands are fulfilled.

Engagement with Local Communities

Omsk Carbon Group is developing a meaningful collaboration with local communities to facilitate socioeconomic development, create an enabling environment for its operations and preserve cultural traditions and the environment in the regions of presence.

The engagement with the presence regions' representatives includes signing cooperation agreements.

We co-work with local communities in the following areas:

- Furthering economic growth
- Creating new jobs
- Investment in developing, expanding, upgrading and modernizing production facilities
- Tax matters
- Environmental protection
- Implementing social responsibility or charity projects

Being a major taxpayer in its presence regions, Omsk Carbon Group procures their fiscal stability, which enables a balanced national socioeconomic policy. In FY2024, the aggregate taxes and customs duties paid by the company rose by a factor of 1.4 against FY2023.

Charitable giving



Social responsibility towards both society at large and individuals is of high priority for Omsk Carbon Group. The company focuses on charitable activities and sponsorship, and promotes culture, science, education, sports and healthy lifestyle through a variety of campaigns.

Veterans and people with disabilities are always within the zone of our attention. We have long been interacting with the Russian Orthodox Church and other confessions in an effort to revitalize spiritual values and religious traditions in Russia.

Over 20 years ago, Omsk Carbon Group OOO took Omsk Orphanage No. 3 for children with disabilities under patronage.

Concerned with the destinies of those kids, the company provides monthly aid to them and the establishment. Our employees every year give Christmas gifts to the students of Adaptive Educational Orphanage No. 5 for differently abled children and children without parental care. Omsk employees also supply aid to animals of the “Drug” charity.

Omsk Carbon Group’s Volgograd employees render support to the House of Charity’s dwellers and orphanage children. Responsive to their needs, Volgograd site staff have been aiding these social establishments since 2017. They bring medical supplies, personal hygiene items, household chemicals, shoes and clothing to those in difficult straits to address their basic necessities.

Omsk Carbon Mogilev IOOO has joined “Rejoicing the Cockles of Children’s Hearts”, a regional charity marathon involving a wide array of campaigns for children’s wellbeing. Our Mogilev employees are providing support to multiple children families living in Voskhod agrotown and Mirniy settlement within the Mogilev District and are participating in the “Path of Kindness” charitable campaign for little patients of the Mogilev Regional Children’s Hospital.

Charity expenses breakdown, RUB thousand	FY2024
Charity spending, including: - Education, research - Supporting veterans, the disabled and people with severe needs - Charitable organizations and NGOs - Orphanages - Preschool institutions - Spiritual heritage revival - Other	7 257

Managing Corruption Risks



Omsk Carbon Group has taken a systemic approach to identifying, assessing and managing corruption-related risks.

We focus our attention on assessment of the existing controls and procedures within the areas and business processes that are particularly exposed to corruption risks. These basically include purchasing, payments, sales, charity, sponsorship, business gifts, entertainment expenses, interaction with public authorities, due diligence and contract approval.

Adherence to the highest business ethics standards forms an integral part of Omsk Carbon Group's corporate principles. We use substantial efforts to maintain the reputation of a transparent, fair and responsible company. To this end, Omsk Carbon Group promotes zero tolerance to any forms of corruption or bribery and applies a systemic approach to the prevention of misconduct and the taking of appropriate corrective action.

Omsk Carbon Group places a strong focus on the promotion of ethical behaviour and the prevention of fraud, corruption and bribery at all organizational levels. All reports of alleged corruption, bribery or unlawful acts are thoroughly investigated.

Our Economic Security Director is in charge of combatting fraud and corruption

Omsk Carbon Group has developed its anticorruption system, including a number of steps to combat corruption at all corporate regulation levels:

- Applying the due diligence principle in selecting contracting parties, incorporating anticorruption clauses into contracts
- Checking all of the existing and newly hired employees for affiliation with third-party businesses and conflicts of interest
- Running an anonymous hotline to report fraud, corruption or other irregularities
- Undertaking internal investigations and holding perpetrators liable

An important element of Omsk Carbon Group's steps to prevent corruption, fraud and bribery is keeping employees and vendors permanently informed on the need to prevent unlawful misconduct, bribery and corruption.

To ensure full compliance with all applicable laws and regulations, we have drafted a package of internal documents governing fair and ethical conduct, the ban on discrimination and corruptive activities, business conduct norms and the rules for staff members' internal and external communication.

Our essential documents regulating such matters:

Anti-Fraud and Corruption Policies	Environmentally Responsible Purchasing Policies	Code of Conduct



In addition to the policies and the code, there is a wide array of anti-corruption mechanisms (as described below) integrated at Omsk Carbon Group.

Raising employees' awareness means that all of our employees become familiar with the anti-corruption documents at the time of hiring or whenever a document is revised or amended.

In FY2024, our anti-corruption hotline continued its work. No reports were received within the reporting period. Omsk Carbon Group encourages whistleblowing, guarantees confidentiality and non-retaliation and undertakes to investigate every report.

Over the course of 2024, we completed due diligence screening in respect of 6,730 suppliers and contractors.

Our due diligence involves the assessment of financial performance, claims from business partners (where exist) and tax compliance. Such an approach helps us avoid dealing with bad-faith potential vendors whose business reputation (practices) is not fair or open. In addition to due diligence procedures for companies intending to become our business partners, we trace and evaluate the current status of our existing business partners in terms of sound business practices. Partner relationships discontinue if the supplier fails to meet its tax liabilities or defaults on its obligations under supply contracts with third-party purchasers. Omsk Carbon Group highly appreciates our partners' fair practices and integrity. As part of identifying, combating and preventing corruption, key matters related to the approval of potential vendors (suppliers or contractors) and the determination of payment procedures for services or goods supplied are openly considered with the involvement of representatives of the business units concerned using the 1C Dokumentooborot software, which provides a discussion opportunity and rules out any covert, unfounded or unfair decisions. We select our contractors for performing works of practically any complexity via our Tender Board. Every bidder submits documents required by our internal regulations that evidence the availability of its HR resources, materials and technology as well as its expertise in performing similar works. Certain works are also performed in respect of our branch's staff members. For the purposes of combatting corruption, staff members are required to report to the employer and law enforcement authorities any instances where they were approached by anyone to induce a corruption offence.

No contracts were terminated or non-renewed with our business partners due to any identified corruption-related violations during the reporting period. There were also no legal proceedings initiated against us or our employees based on alleged involvement in contravention of anti-corruption laws.

Our company is socially and legally proactive in identifying and preventing suppliers' corruption schemes or attempts to involve our staff in such corruption schemes.

Defining Report Content

In preparing this 2024 Report, we have relied on the Global Reporting Initiative (GRI) standards for sustainability reporting as a guidance and used applicable GRI reporting elements. The report reflects Omsk Carbon Group's contribution to achieving the UN sustainable development goals and implementing the UN Global Compact principles.

Omsk Carbon Group maintains an active dialog with all of its stakeholders, gathering feedback consistently. In preparing this Report, we made use of the results of our regular interaction with stakeholders, including for such purposes as the determination of considerable topics. The contents of the Report were based on the considerable topics identified, providing disclosures on the whole range of Omsk Carbon Group's impacts and meeting the interests of all our stakeholders.

The scope of the Report gives a fair view for understanding the economic, environmental and societal impacts Omsk Carbon Group had in the reporting period and has no intentional omissions. The Report to an equal extent discloses both positive and negative results of our operations without any intentional misrepresentation.

The terminology used in the Report is comprehensible to a broad range of stakeholders and sufficient to form an objective view.



Appendix 1

GRI Correspondence Table

GRI Indicator	GRI Indicator Description	Report Section and/or Comments, References to Other Sources	Report page
UNIVERSAL REPORTING ELEMENTS			
ORGANIZATIONAL PROFILE			
102-1	Name of the organization	About the Company	3-7
102-2	Activities, brands, products, and services	About the Company	3-7
102-3	Location of headquarters	About the Company	3-7
102-4	Location of operations	About the Company	3-7
102-5	Ownership and legal form	About the Company	3-7
102-6	Markets served	About the Company	3-7
102-7	Scale of the organization	About the Company	3-7
102-8	Information on employees and other workers	People	30-35
102-9	Supply chain	Supply Chain Management	55
102-10	Significant changes to the organization and its supply chain	No significant changes occurred in 2024	
102-11	Precautionary principle or ap-proach	Managing Sustainability Risks Supply Chain Management Managing Corruption Risks	24 54 58-59
102-12	External initiatives	Involvement in International, National and Regional Sustainability Initiatives	15-18
102-13	Membership of associations	Involvement in International, National and Regional Sustainability Initiatives	15-18
STRATEGY			
102-14	Statement from senior decision-maker	A Word from Our General Director	1
102-15	Key impacts, risks, and opportunities	Sustainable Development Sustainable Development Priority Omsk Carbon Group's Contribution to the Achievement of the Sustainable Development Goals Managing Sustainability Risks Human Rights People Occupational Health and Safety Preventing incidents or accidents and emergency response Environmental Protection Supply Chain Management Engagement with Local Communities Managing Corruption Risks	9-10 10 11-14 24 25-26 30-35 39-41 42-43 44-51 55 56-57 58-59
ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behaviour	Managing Corruption Risks	58-59

Appendix 1

GRI Indicator	GRI Indicator Description	Report Section and/or Comments, References to Other Sources	Report page
102-17	Mechanisms for advice about ethics	Managing Corruption Risks	58-59
GOVERNANCE			
102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement	19-23
102-30	Risk management	Managing Sustainability Risks	24
102-35	Remuneration policies	People	30-35
102-36	Process for determining remuneration	People	30-35
102-37	Stakeholders' involvement in remuneration	People Working with Trade Unions	30-35 36-38
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	Stakeholder Engagement	21-23
102-41	Collective bargaining agreements	Working with Trade Unions	36-38
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	19-23
102-43	Approach to stakeholder engagement	Stakeholder Engagement	19-23
102-44	Key topics and concerns raised	Managing Sustainability Risks	24
REPORTING PRACTICE (GENERAL)			
102-45	Entities included in the consolidated financial statements	About the Report	2
102-46	Defining report content and topic boundaries	About the Report	2
102-47	List of material topics	About the Report	2
102-48	Restatements of information	No restatements of information were used during the reporting period	
102-49	Changes in reporting	No changes in reporting were made.	
102-50	Reporting period	About the Report	2
102-51	Date of most recent report	About the Report	2
102-52	Reporting cycle	About the Report	2
102-53	Contact point for questions regarding the report	About the Report	2
102-54	GRI Claim of reporting in accordance with the GRI Standards	About the Report	2
REPORTING PRACTICE (CORRESPONDENCE INDEX)			
102-55	GRI Content index	About the Report	2
REPORTING PRACTICE (ASSURANCE)			
102-56	External assurance	No external assurance was provided	

Appendix 1

GRI Indicator	GRI Indicator Description	Report Section and/or Comments, References to Other Sources	Report page
103 MANAGEMENT APPROACH			
103-1	Explanation of the material topic and its boundary	About the Report	2
103-2	The management approach and its components	Sustainability Management Sustainable Development Omsk Carbon Group's Contribution to the Achievement of the Sustainable Development Goals	8 9-10 11-14
201 ECONOMIC PERFORMANCE			
201-3	Defined benefit plan obligations and other retirement plans	People Working with Trade Unions	30-35 36-38
201-4	Financial assistance received from government	In FY2024, the company obtained no financial assistance from governmental authorities	
202 MARKET PRESENCE			
103	Management approach	People	30-35
202-1	Ratios of entry-level wage to local minimum wage	People	30-35
202-2	Proportion of senior management hired from the local community	People	30-35
203 INDIRECT ECONOMIC IMPACTS			
203-1	Infrastructure investments and services supported	Omsk Carbon Group's Contribution to the Achievement of the Sustainable Development Goals Engagement with Local Communities	11-14 56-57
203-2	Significant indirect economic impacts	Omsk Carbon Group's Contribution to the Achievement of the Sustainable Development Goals Engagement with Local Communities	11-14 56-57
204 PROCUREMENT PRACTICES			
103	Management approach	Supply Chain Management	55
204-1	Proportion of spending on local suppliers	Supply Chain Management	55
205 ANTI-CORRUPTION			
103	Management approach	Managing Corruption Risks	58-59
205-1	Operations assessed for risks related to corruption	Managing Corruption Risks	58-59
205-2	Communication and training about anti-corruption policies and procedures	Managing Corruption Risks	58-59
205-3	Confirmed incidents of corruption and actions taken	No confirmed instances of corruption were recorded in FY2024	
206 ANTI-COMPETITIVE BEHAVIOUR			
103	Management approach	Managing Corruption Risks	58-59
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Managing Corruption Risks	58-59

Appendix 1

GRI Indicator	GRI Indicator Description	Report Section and/or Comments, References to Other Sources	Report page
ENVIRONMENTAL			
301 MATERIALS			
103	Management approach	Environmental Protection	44-51
301-1	Reclaimed products and their packaging materials	Environmental Protection	44-51
302 ENERGY			
103	Management approach	Environmental Protection	44-51
302-1	Energy consumption within the organization	Environmental Protection	44-51
302-2	Energy consumption outside of the organization	Environmental Protection	44-51
302-3	Energy intensity	Environmental Protection	44-51
302-4	Reduction of energy consumption	Environmental Protection	44-51
302-5	Reductions in energy requirements of products and services	Environmental Protection	44-51
303 WATER			
103	Management approach	Environmental Protection	44-51
303-1	Water withdrawal by source	Environmental Protection	44-51
303-2	Water sources significantly affected by withdrawal of water	Environmental Protection	44-51
303-3	Water recycled and reused	Environmental Protection	44-51
304 BIODIVERSITY			
103	Management approach	Protecting Biodiversity	53-54
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Protecting Biodiversity	53-54
304-2	Significant impacts of activities, products, and services on biodiversity	Protecting Biodiversity	53-54
304-3	Habitats protected or restored	Protecting Biodiversity	53-54
3004-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Protecting Biodiversity	53-54
305 EMISSIONS			
103	Management approach	Environmental Protection	44-51
305-1	Direct (Scope 1) GHG emissions	Environmental Protection	44-51
305-5	Reduction of GHG emissions	Environmental Protection	44-51
305-6	Emissions of ozone-depleting substances (ODS)	Environmental Protection	44-51

Appendix 1

GRI Indicator	GRI Indicator Description	Report Section and/or Comments, References to Other Sources	Report page
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Environmental Protection	44-51
306 EFFLUENTS AND WASTE			
103	Management approach	Environmental Protection	44-51
306-1	Water discharge by quality and destination	Environmental Protection	44-51
306-2	Waste by type and disposal method	Environmental Protection	44-51
306-4	Transport of hazardous waste	Environmental Protection	44-51
306-5	Water bodies affected by water discharges and/or runoff	Environmental Protection	44-51
307 ENVIRONMENTAL COMPLIANCE			
103	Management approach	Environmental Protection	44-51
307-1	Non-compliance with environmental laws and regulations	Environmental Protection	44-51
SOCIAL			
401 EMPLOYMENT			
103	Management approach	People	30-35
401-1	Total number and rate of employee turnover during the reporting period, by age group, gender and region	People	30-35
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People	30-35
402 LABOUR/MANAGEMENT RELATIONS			
103	Management approach	People	30-35
402-1	Minimum notice period regarding operational changes	In accordance with the Labour Code of the Russian Federation, the Labour Code of the Republic of Belarus, federal laws or other regulations containing rules of labour law, agreements and employment contracts	
403 OCCUPATIONAL HEALTH AND SAFETY			
103	Management approach	Occupational Health and Safety	39-41
403-1	Workers representation in formal joint management —worker health and safety committees	Occupational Health and Safety	39-41
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Occupational Health and Safety	39-41
403-3	Workers with high incidence or high risk of diseases related to their occupation	Occupational Health and Safety	39-41
403-4	Health and safety topics covered in formal agreements with trade unions	Working with Trade Unions Occupational Health and Safety	36-38 39-41

Appendix 1

GRI Indicator	GRI Indicator Description	Report Section and/or Comments, References to Other Sources	Report page
404 TRAINING AND EDUCATION			
103	Management approach	People	30-35
404-1	Average hours of training per year per employee	People	30-35
404-2	Programs for upgrading employee skills and transition assistance programs	People	30-35
404-3	Percentage of employees receiving regular performance and career development reviews	People	30-35
405 DIVERSITY AND EQUAL OPPORTUNITY			
103	Management approach	People	30-35
405-1	Diversity of governance bodies and employees by gender, age, minorities and other diversity indicators	People	30-35
405-2	Ratio of basic salary and remuneration of women to men	People	30-35
406 NON-DISCRIMINATION			
103	Management approach	Human Rights People	25-26 30-35
406-1	Incidents of discrimination and corrective actions taken	Human Rights People	25-26 30-35
407 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
407-1	Operations and suppliers in which the right to freedom of association and collective bar-gaining may be at risk	The company has no operations in which the right to freedom of association and collective bargaining may be exposed to significant risks	
408 CHILD LABOUR			
408-1	Operations and suppliers at significant risk for incidents of child labour	The company has no operations at risk for incidents of child labour	
409 FORCED OR COMPULSORY LABOUR			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour and measures taken to eliminate forced or compulsory labour	The company has no operations at risk for incidents of forced or compulsory labour	
410 SECURITY PRACTICES			
410-1	Security personnel trained in human rights policies or proce-dures	100%	
411 RIGHTS OF INDIGENOUS PEOPLES			
411-1	Incidents of violations involving rights of indigenous peoples	No violations involving rights of indigenous peoples were recorded during FY2024	
413 LOCAL COMMUNITIES			
103	Management approach	Engagement with Local Communities	56-57

Appendix 1

GRI Indicator	GRI Indicator Description	Report Section and/or Comments, References to Other Sources	Report page
413-1	Operations with local community engagement, impact assessments, and development programs	Engagement with Local Communities	56-57
413-2	Operations with significant ac-tual and potential negative im-pacts on local communities	In 2024, there were no operations with significant actual or potential negative impacts on local communities	
414 SUPPLIER SOCIAL ASSESSMENT			
103	Management approach	Supply Chain Management	55
414-1	Percentage of new suppliers that were screened using social criteria	Supply Chain Management	55
415 PUBLIC POLICY			
415-1	Political contributions by country and recipient/beneficiary	The company makes no contributions to political parties or organizations or their representatives and is not involved in politics	
416 CUSTOMER HEALTH AND SAFETY			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services, by type of consequences	Throughout 2024, there were no instances of non-compliance with statutory or voluntary code requirements concerning the health and safety impacts of products or services	
417 MARKETING AND LABELING			
417-2	Incidents of non-compliance concerning product and service information and labeling, by type of consequences	Throughout 2024, there were no instances of non-compliance with statutory or voluntary code requirements concerning the health and safety impacts of products or services	