



# GRI TABLES 2012

# Uralkali GRI tables 2012

<b>Application level</b>		A+
Core indicator		● reported
Additional indicator		◐ partially reported
		n/a not applicable

## 1. GRI content index

1.1	Statement from the most senior decision-maker of the organisation.	●	CEO's Statement
1.2	Description of key impacts, risks, and opportunities.	●	2012 Integrated Report, Risks, 39 'Focused on employee safety', 64 'Protecting our environment', 68 'Committed to our people', 72 'Caring for our communities', 76 'Stakeholder Engagement', 62

## Risk management

Uralkali's risk and internal control management system is based on the principles set out in the Enterprise Risk Management-Integrated Framework<sup>1</sup>, which state that Enterprise Risk Management is:

- A process, ongoing and flowing through the entity and effected by people at every level of an organization
- Applied in strategy setting
- Applied across the enterprise, at every level and unit, and includes taking an entity level portfolio view of risk
- Designed to identify potential events that, if they occur, will affect the entity
- Able to provide reasonable assurance to an entity's management and board of directors.

We took all these principles into account when developing our Risk and Internal Control Management Policy, approved by the Board of Directors in September 2012. This policy defines the Group's position on risk management and internal control, and sets out the basic requirements and key principles of the risk management processes and of establishing and maintaining internal control process, as well as the obligations of management and employees in terms of effecting them. In addition, specific actions and measures relating to the system are covered in detail in the Risk and Internal Control Management Standard. Particularly complex and time-consuming risk and internal control management procedures are described separately in the Regulations on Risk Assessment and Control Procedures.

The Board of Directors reviews the risk map every year; from the key risk factors for sustainable development the Company identifies those relating to health, safety and the environment. Risk management action plans are developed and subsequently implemented by the Company's employees.

<sup>1</sup> ERM (Enterprise Risk Management) – the Enterprise Risk Management-Integrated Framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

## 2. Organisational Profile

2.1	Name of organisation.	●	Table GRI, 3
2.2	Primary brands, products, and/or services.	●	2012 Integrated Report, Why Potash is important, 4
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	●	'Group structure': <a href="http://www.uralkali.com/about/group_structure/">http://www.uralkali.com/about/group_structure/</a>
2.4	Location of organisation's headquarters.	●	Uralkali has its headquarters in the town of Berezniki in the Perm region
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	●	<a href="http://www.uralkali.com/upload/pdf/about_en.pdf">http://www.uralkali.com/upload/pdf/about_en.pdf</a>
2.6	Nature of ownership and legal form.	●	<a href="http://www.uralkali.com/upload/pdf/about_en.pdf">http://www.uralkali.com/upload/pdf/about_en.pdf</a>
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	●	2012 Integrated Report, Where we operate, 8; Sales review, 44 'Sales': <a href="http://www.uralkali.com/buyers/sale/">http://www.uralkali.com/buyers/sale/</a> <a href="http://www.uralkali.com/upload/iblock/1ac/Sales%20structure.pdf">http://www.uralkali.com/upload/iblock/1ac/Sales%20structure.pdf</a> <a href="http://www.uralkali.com/upload/iblock/416/mpvvo%20qjlddw.pdf">http://www.uralkali.com/upload/iblock/416/mpvvo%20qjlddw.pdf</a>
2.8	Scale of the reporting organisation.	●	2012 Annual Report, Group Highlights, 2; Operating review, 50.
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	●	No significant changes during the reporting period regarding size, structure, or ownership
2.10	Awards received in the reporting period.	●	'Committed to our people', 72 'Caring for our communities', 76 'Protecting our environment', 68

**3. Report Parameters**

3.1	Reporting period (e.g. fiscal/calendar year) for information provided.	●	Table GRI, 3
3.2	Date of most recent previous report (if any).	●	Table GRI, 3
3.3	Reporting cycle (annual, biennial, etc.)	●	Table GRI, 3
3.4	Contact point for questions.	●	Table GRI, 3
3.5	Process for defining report content.	●	Table GRI, 3
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	●	Table GRI, 3
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	●	Table GRI, 3
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	●	Table GRI, 3
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	●	Table GRI, 3
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	●	Table GRI, 3
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	●	Table GRI, 3
3.12	Table identifying the location of the Standard Disclosures in the report.	●	Table GRI, 3
3.13	Policy and current practice with regard to seeking external assurance for the report.	●	Table GRI, 3
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	●	The Company does not subscribe to any other sustainability-related charters, principles, or initiatives.

In 2011 OJSC Uralkali (hereinafter “Uralkali” or the “Company”) published its first Sustainability Report. In 2012 the Company published its first Integrated Report, which is supplemented by this GRI table. The Report covers the Company’s activities from 1 January to 31 December 2012, including its approach to achieving goals and meeting objectives, the goals achieved, and plans for the future. Uralkali’s Sustainable Development Report 2011 is available in Russian and English at <http://www.uralkali.com/ru/development/>.

**Principles and standards**

The Report has been prepared in accordance with the Global Reporting Initiative (GRI) G3.1 Sustainability Reporting Guidelines, including the Mining and Metals Sector Supplement. The report has been prepared in line with GRI A+ disclosure level.

**Content and materiality**

In defining the content of sustainability information in the Report, Uralkali complied with the GRI approach and principles, including the principles of materiality, stakeholder inclusiveness, sustainability context and completeness. Applying the GRI reporting framework enables the Company to present its activities and results in the most complete form, yet concisely and clearly, to all key stakeholders, and ensures that the provided information can be compared with reports produced by other leading international companies.

The Report includes not only the Company’s achievements in the reporting period, but also discusses the challenges it faced. To ensure a more comprehensive and more complete disclosure, Uralkali is working to improve its system for gathering non-financial information.

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The priority topics and key issues disclosed in the Report have been selected based on the following criteria:

- The significance to the implementation of the Company’s strategy and policies
- The effect on the Company’s performance or business model
- The Company’s understanding of stakeholder expectations and interests
- The economic, social and environmental impact on local communities and the regions where the Company operates.

The Report covers a wide range of issues, including key events in the reporting period, health and safety, environmental protection, HR development, social investment and charity, regional development and stakeholder engagement.

### Scope

In defining the scope of the sustainability information disclosed in the Report and the performance indicators, Uralkali followed principles of materiality and completeness. Whereas the 2011 Sustainable Development Report included only data on OJSC Uralkali and OJSC Silvinit, the Integrated Report 2012 covers OJSC Uralkali and all the subsidiaries and related entities in the Uralkali Group in 2012.

The term “Uralkali Group” (the “Group”), when used in the quantitative disclosures, refers to OJSC Uralkali and its subsidiaries. The term “OJSC Uralkali”, when used in the quantitative disclosures, refers to the individual entity with production sites at Berezniki and Solikamsk. The terms “Uralkali” and the “Company”, when used in the qualitative disclosures, refer to OJSC Uralkali and its subsidiaries jointly.

The terms “Uralkali” and the “Company”, when used in the qualitative disclosures regarding corporate governance, refer to OJSC Uralkali.

### Data presentation

Uralkali employs its own, internal system for gathering and compiling information. The system is based on the principles and approaches of the GRI G3.1 Guidelines, and makes it possible to collect data on all the Company’s entities.

The Company’s financial indicators are expressed in US dollars and presented in accordance with its consolidated financial statements for the year ended 31 December 2012. The employment figures are based on the headcount as at 31 December 2012.

Performance figures for HSE, social investment and HR management are presented for OJSC Uralkali and the Group separately.

### Restatements and significant changes

The data measurement techniques used in this Report are not significantly different from those used in the 2011 Sustainability Report. However, the scope of the Integrated Report 2012 is considerably broader: data is now provided not only on the parent company, but also on the main subsidiaries and related entities.

### Assurance

To improve the reliability and accuracy of the non-financial information in the Integrated Report, Uralkali engages audit firms to assess and review sustainability information.

The Report has been reviewed by an independent auditor under the ISAE 3000 standard and was prepared in line with GRI A+ disclosure level.

You can read more about the scope and subject matter of the assurance in the Independent Assurance Report section.

### Contacts

Uralkali welcomes any feedback on the Report and the information contained in it. The views of its stakeholders –both internal and external– are highly important to the Company’s future sustainability reporting and planning.

Please use the feedback form at

[http://www.uralkali.com/ru/investors/reporting\\_and\\_disclosure/development/](http://www.uralkali.com/ru/investors/reporting_and_disclosure/development/)

You can also use the contact details below:

OA O Uralkali

63 Ulitsa Pyatiletki, Berezniki, Perm Krai, Russia, 618426

T: +7 (342) 429 61 35

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[uralkali@uralkali.com](mailto:uralkali@uralkali.com)

**4. Governance, Commitments, and Engagement**

4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	●	2012 Integrated Report, Governance review, 70
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	●	2012 Integrated Report, Governance review, 70
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	●	2012 Integrated Report, Governance review, 70

**Our management structure**

Uralkali’s management and control structure complies with applicable Russian law. In addition, in line with our Corporate Governance Policy, we are developing and adding to our management structure by creating special consultative and advisory bodies to provide expert guidance on key issues, drawing on global best practices in corporate governance. For example, at the end of 2011 the Board of Directors set up a special committee –the Corporate Social Responsibility Committee of the Board of Directors (“the CSR Committee”), which deals with health, safety and environmental issues and a range of social projects on a regular basis. At the start of 2012, we established the Health, Safety, Environment and Corporate Social Responsibility Committee under the Chief Executive Officer (the Working Group), which monitors CSR-related information and oversees the performance of goals and objectives.

**Our sustainable development management structure**



**Board of Directors**

The Board of Directors has overall control of Uralkali’s activities. It makes decisions on key development strategy issues and approval of the Uralkali’s public reports, and regularly management’s work in key areas, not least sustainable development.

For example, in 2012 the Board of Directors approved Uralkali’s 2011 Sustainable Development Report, its Corporate Social Responsibility Policy and its Corporate Governance Policy. The Board of Directors is also responsible for determining the make-up and number of people on the CSR Committee, which was reviewed twice in 2012. As of 31 December 2012, the CSR Committee comprises six directors, including three independent directors.

**CSR Committee of the Board of Directors**

In 2012, the CSR Committee did a considerable amount of work on the issues within its remit, and met all its goals for the year. You can read more about the CSR Committee on page 64 of the 2012 Integrated Report and on page 94 of the “Corporate governance report”. In particular, the Committee monitored preparation of Uralkali’s first sustainable development report, approved by the Board of Directors in September 2012, helped to develop the HSE and CSR policies, and reviewed the functional strategies in these areas. In 2013, the Committee plans to continue its work in these areas and to focus on developing a stakeholder relations strategy covering aspects of Uralkali’s activities.

## Management Board and CEO

Uralkali's executive bodies are the Management Board (its collective executive body) and the Chief Executive Officer (its single-person executive body). Apart from the CEO, the Management Board comprises 12 executives who report directly to the CEO and head the Company's main functions.

The Management Board met 10 times in 2012; the issues dealt with included the establishment and organisation of the Working Group, implementation of the Health and Safety Cardinal Rules, approval of the HSE Policy, and aspects of sustainable development reporting.

You can read more on the make-up, remit and activities of the Board of Directors, its committees and the Management Board from page 89 of the 2012 Integrated Report and in the "Corporate governance report".

## Working Group

The Working Group was established by the Management Board in February 2012. It includes senior officials from the main areas of sustainable development: the HSE Director (who is also the Deputy Chair of the Working Group), the HR Director, the Chief Engineer, the Chief Operating Officer, the Director of Legal and Corporate Affairs, and the Head of Government Relations.

The Group was set up to provide an initial review of sustainability-related matters and to perform further work on them. Led by the CEO, the Group regularly reviews HSE statistics, develops recommendations on long-term key performance indicators for HSE. It also analyses the potential risks and plans to mitigate them.

4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●
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Feedback channels reflect Uralkali Group's commitment to openness, mutual respect and teamwork. The CEO holds regular briefings for employee groups to provide updates on new developments and to answer questions. The feedback system also includes an on-line feedback service and a telephone hotline. The Group conducts surveys to identify bottlenecks in the Company's work and to determine which aspects of HR management to invest in to ensure higher employee engagement.

4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives and organization's performance.	●	2012 Integrated Report, „Governance review, 78
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	●	Regulations on corporate conflicts resolution, The Code of Corporate Culture of OJSC Uralkali. <a href="http://www.uralkali.com/about/corporate_governance/regulatory_documents/">http://www.uralkali.com/about/corporate_governance/regulatory_documents/</a>
4.7	Process for determining the composition, qualifications and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	●	2012 Integrated Report, Governance review, 73
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	●	2012 Integrated Report, Inside front cover

## Business ethics

In 2012, a new edition of Uralkali's Code of Corporate Culture took effect. For the first time, it included the Company's business ethics rules. Given that we work on a regular basis with various stakeholders, and bearing in mind the high standards expected of us as a public company, the largest firm in the region where we operate, and one of the world's leading potash producers, we have established various standards and principles in the Code, which underpin our relationships with our stakeholders. Our key objectives in this area are: to comply with legislation; to meet the requirements of stock exchanges; to adhere to the Universal Declaration of Human Rights; and to reject corruption. With this in mind, we maintain a constant dialogue with stakeholders. We look for mutually acceptable solutions, taking every angle and viewpoint into consideration. We keep track of important changes in areas relating to Uralkali's activities, taking account of global best practices. In doing so, we are building better relationships with our stakeholders.

4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	●	Integrated Report 2012, Sustainability, 60
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	●	The precautionary approach is not addressed by the Company. The Company's approach to risk management is described below and in the 2012 Integrated Report (Risks, 39).

**Elements of the sustainable development management system**

**Risk management**

Uralkali’s risk and internal control management system is based on the principles set out in the Enterprise Risk Management-Integrated Framework<sup>1</sup>, which state that Enterprise Risk Management is:

- A process, ongoing and flowing through the entity and effected by people at every level of an organization
- Applied in strategy setting
- Applied across the enterprise, at every level and unit, and includes taking an entity level portfolio view of risk
- Designed to identify potential events that, if they occur, will affect the entity
- Able to provide reasonable assurance to an entity’s management and board of directors.

We took all these principles into account when developing our Risk and Internal Control Management Policy, approved by the Board of Directors in September 2012. This policy defines the Group’s position on risk management and internal control, and sets out the basic requirements and key principles of the risk management processes and of establishing and maintaining internal control process, as well as the obligations of management and employees in terms of effecting them. In addition, specific actions and measures relating to the system are covered in detail in the Risk and Internal Control Management Standard. Particularly complex and time-consuming risk and internal control management procedures are described separately in the Regulations on Risk Assessment and Control Procedures. The Board of Directors reviews the risk map every year; from the key risk factors for sustainable development the Company identifies those relating to health, safety and the environment. Risk management action plans are developed and subsequently implemented by the Company’s employees.

4.10	Processes for evaluating the highest governance body’s own performance, particularly with respect to economic, environmental, and social performance.	●	2012 Integrated Report, Governance, 74
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations.	●	

**Membership of associations**

With the goal of increasing the amount of fertiliser supplied to the Russian agro-industry, Uralkali is collaborating with the Russian Association of Fertiliser Producers (RAFP) in order to coordinate work with leading companies in the industry. RAFP serves as a strategic vehicle for coordinating and collectively promoting the Company’s interests in its dealings with state authorities.

Uralkali is a member of the Russian Union of Industrialists and Entrepreneurs, and takes part in the work of specialist commissions and committees. In addition, representatives of the Company take part in the work of the Federal Antimonopoly Service’s Expert Council on the Chemical Industry, helping to develop regulatory documents aimed at preventing discrimination in the fertiliser market.

Uralkali is also a member of the Council of Directors of Companies in Solikamsk and Solikamsk District. This is a not-for-profit partnership and important non-governmental organisation, representing the biggest companies operating in the district. Coordination between the organisation and the local authorities enables a quick and effective resolution of issues related to the district’s socio-economic development.

Uralkali is also a member of the following associations and organisations:

- The Mining Association of the Urals
- The Western Urals Energy Industry Association
- Russian Mining Operators
- The International Fertilizer Industry Association
- The Interregional Association of Builders
- The Interregional Association of Specialised Construction Design Organisations
- The Construction Engineering Surveys Association
- The Stroganovsky Club of Industrialists and Financiers
- The International Plant Nutrition Institute
- The Perm Chamber of Commerce and Industry
- The Upper Kama Chamber of Commerce and Industry
- The Perm Region Club of Financial Directors
- The International Potash Institute and others

<sup>1</sup> ERM (Enterprise Risk Management) – the Enterprise Risk Management-Integrated Framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

4.14	List of stakeholder groups engaged by the organisation.	●	'Stakeholder Engagement', 62
4.15	Basis for identification and selection of stakeholders with whom to engage.	●	'Stakeholder Engagement', 62
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	●	'Stakeholder Engagement', 62
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	●	'Stakeholder Engagement', 62

## Economic

EC1 COMM	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	●	2012 Integrated Report, Group Highlights, 2
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	●	The Company did not assess the potential risks due to climate change and their financial implications.
EC3	Coverage of the organisation's defined benefit plan obligations.	●	Pensions are paid on the basis of Federal Law FZ-173 of 17 December 2001. Insurance contributions to the Russian Pension Fund are made pursuant to Federal Law 212-FZ of 24 July 2009. Contributions to the Pension Fund made up 12% of the Company's wage bill in 2012.
EC4	Significant financial assistance received from government.	●	Tax concessions provided in Perm Krai Tax concessions provided in Perm Krai Under Article 15.1 of Perm Oblast Law 1685-296, 'On taxation in Perm Krai' (30 August 2001), the corporate tax rate is 15.5% (a regional rate of 13.5% plus the federal rate of 2%). No other financial assistance is received.
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	●	Federal Law 82-FZ, 'On the minimum wage', of 19 June 2000 The Civil Code of the Russian Federation, Chapter 21, Article 133.1

Standard entry level wage in Uralkali is higher than the minimum wage in Perm region.

EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	●	
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In an effort to reduce imports and support local manufacturers, the Company tests new products made by domestic manufacturers. One of the pre-qualification criteria for some tenders is for the producer to have its own manufacturing base in one of the cities or the region. In 2012, foreign imports made up 11.5% of all Uralkali's purchases.

EC7 COMM	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	●	
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The Company has production facilities in two towns in the Perm region: Berezniki and Solikamsk. 99% of employees, and 85% of managers, are locals. In exceptional circumstances, and only where there are no local candidates with the necessary skill set and experience, the Company hires specialists and managers from other regions.

EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	●	'Caring for our communities', 76
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Social investments by OJSC Uralkali (US\$ million)

**\$29.1 mln**



Environmental

EN1	Materials used by weight or volume.	●	In 2012, 36,033,600 tonnes of sylvinitite and 499,700 tonnes of carnallite were used.
EN2 COMM	Percentage of materials used that are recycled input materials.	●	The Company did not use recycled input materials in the reporting period.
EN3	Direct energy consumption by primary energy source.	●	
EN4	Indirect energy consumption by primary source.	●	
EN5	Energy saved due to conservation and efficiency improvements.	●	

Consumption of primary energy sources at the Group in 2011-2012

		2012		2011	
		Volume	Energy (GJ)	Volume	Energy (GJ)
Natural gas	m <sup>3</sup>	351,657,134.0	287,719,429.0	GJ	13,718,144.8
Associated petroleum gas	m <sup>3</sup>	76,692,427.0	36,481,069.0	GJ	2,991,771.6
Diesel	Tonnes	8,023.1	2,212.0	GJ	347,640.9
Gasoline	Tonnes	933.1	364.2	GJ	41,802.9
Other	Tonnes	6,097.0	6,708.0	GJ	273,145.6

Amount of electricity and heating purchased at the Group in 2011-2012

Year	Electricity		Heat power	
	Million kWh	GJ	Million Gcal	GJ
2012	1,365.4	4,915,500.3	0.1	321,617.0
2011	1,428.8	5,143,501.2	0.2	997,328.0

Energy saved by replacing equipment at the Group

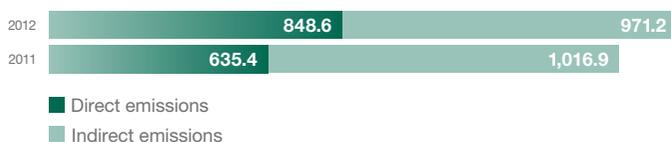
Year	Electricity		Heat power	
	Million kWh	GJ	Million Gcal	GJ
2012	24.5	88,131.6	81,483.0	341,152.6
2011	20.1	72,291.6	55,273.0	231,416.7

Water intake for industrial needs and utility services at OJSC Uralkali facilities (million m<sup>3</sup>)



EN8	Total water withdrawal by source.	●	
EN9	Water sources significantly affected by withdrawal of water.	●	
<p>The Company has three water intake points from surface sources: one from the Kama river reservoir (SKRU-2), and two from the Verkhne-Zyryan water reservoir (BKPRU-2 and BKPRU-4).</p>			
EN10	Percentage and total volume of water recycled and reused.	●	'Protecting our environment', 68
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	●	'Protecting our environment', 68
EN12 COMM	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	●	The Company's facilities are not located on land in or adjacent to protected areas.
MM1 COMM	Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated.	●	<p>The Company extracted ore by closed method, the disturbed land comprised only the land with the extraction waste. The Company pays all obligatory environmental charges and partly performs filling of waste cavities works.</p> <p>Every year, Uralkali takes part in environmental campaigns as part of All-Russia Days of Protection from Environmental Hazards, held in accordance with a resolution of the government of Perm Krai with the aim of improving the state of the environment.</p>
EN13 COMM	Habitats protected or restored.	●	<p>The Company extracted ore by closed method, the disturbed land comprised only the land with the extraction waste. The Company pays all obligatory environmental charges and partly performs filling of waste cavities works.</p> <p>Every year, Uralkali takes part in environmental campaigns as part of All-Russia Days of Protection from Environmental Hazards, held in accordance with a resolution of the government of Perm Krai with the aim of improving the state of the environment.</p>
EN14 COMM	Strategies, current actions and future plans for managing impacts on biodiversity.	●	'Protecting our environment', 68
MM2	The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place.	●	'Protecting our environment', 68 The Company has not yet developed a document on biodiversity management.
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	●	The Company believes there are no such species in the region where its production facilities are located.
EN16	Total direct and indirect GHG emissions by weight.	●	
EN17	Other relevant indirect GHG emissions by weight.	●	

### CO<sub>2</sub> emissions by the Group in 2011-2012 (thousand tonnes (%))



**Greenhouse gas emissions**

EN18	Initiatives to reduce greenhouse gas emissions and reduction achieved.	●	Use of associated petroleum gas, The Company has no other special initiatives.
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**Consumption of associated petroleum gas by the Group (million m<sup>3</sup>)**

**76.7**



EN19	Emissions of ozone-depleting substances by weight.	●	The Company does not use industrial equipment contributing to emissions of ozone-depleting substances.
EN20 COMM	NOx, SOx, and other significant air emissions by type and weight.	●	'Protecting our environment', 68

**Emissions into the atmosphere**

Gross pollutant emissions at OJSC Uralkali facilities, thousand tonnes	2012	2011
Solid	1.08	1.20
Carbon monoxide (CO)	1.14	0.77
Nitrogen oxides (converted into NO <sub>2</sub> )	1.03	1.10
Sulphur dioxide (SO <sub>2</sub> )	0.25	0.20
Volatile organic compounds (VOC)	0.04	0.03
Other substances + particulate matters	0.08	0.10

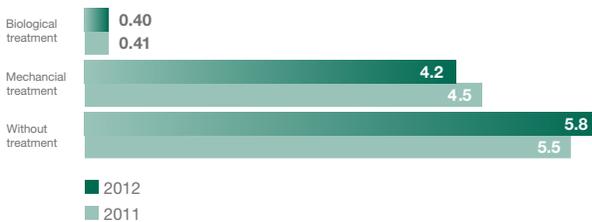
The total amount of carbon monoxide emissions into the atmosphere remained insignificant and increased compared to 2011, due to carrying out an inventory and the addition of new sources of pollutant emissions in the reconstruction of BKPRU-3 and BKPRU-4.

EN21	Total water discharge by quality and destination.	●	'Protecting our environment', 68
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**Water resources**

Waste-water discharges in 2012 remained at the same level as in 2011, totalling 10.4 million m<sup>3</sup>. An insignificant increase compared to 2011 in the total discharge of untreated waste water was attributable to an increase in the output at the carnallite ore treatment plant (SKRU-1). The Company discharges water into the following water intake points: Chornaya River, Usolka River, Lenva River, Kama River, Popovka River and Bygel River.

**Waste water discharges by treatment method at OJSC Uralkali facilities (million m<sup>3</sup>/year)**



EN22 COMM	Total weight of waste by type and disposal method.	●	
MM3	Total amounts of overburden, rock, tailings, and sludges and their associated risks.	●	
EN23 COMM	Total number and volume of significant spills.	●	In 2012 no significant spills of chemicals, oils or fuels were identified.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	●	'Protecting our environment', 68

### Waste management

In the reporting period the disposal of hazardous waste at dumps doubled to 10.8 thousand tonnes, as a result of the reconstruction of buildings and facilities at subdivisions and an increase in construction waste from dismantled buildings.

#### Hazardous waste (I–IV hazard class) by treatment method at Uralkali facilities, tonnes

	2012	2011
Disposal at dumps <sup>1</sup>	10,756	5,182
Use	184	949
Recovery	410	256

The volume of recovered non-hazardous waste contracted from 149.1 to 4.1 tonnes, as the figure for 2011 included waste from auxiliary farm holdings. The volume of waste dumped at facilities increased by 10% and totalled 44.4 thousand tonnes, which was in part attributable to the reconstruction of buildings and facilities at subdivision sites.

#### Non-hazardous waste (hazard class V) by treatment method at Uralkali facilities, tonnes

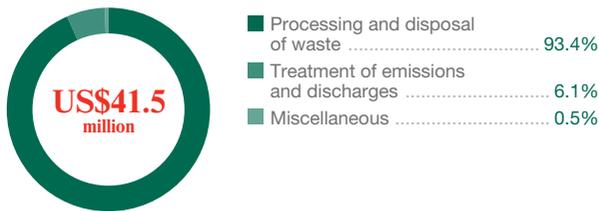
	2012	2011
Storage (protracted) at the Company's sites (salt and slime dumps)	17,666,532	20,669,450
Use	10,206,043	9,958,915
Disposal at dumps <sup>1</sup>	44,398	39,897
Recovery	4	149

In 2012, Uralkali produced 2.1 million tonnes of sludge and 24.7 million tonnes of tailings (halite waste from sylvinitic treatment plants and the carnallite treatment plant). 42% of halite waste from the sylvinitic ore treatment plants was used during the year. 100% of halite waste and sludge from the carnallite ore treatment plant was used in backfilling.

<sup>1</sup> Municipal budget-funded unitary enterprise SDW Landfill, city of Berezniki, Municipal budget-funded unitary enterprise Municipal Services, city of Solikamsk.

EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	n/a	The Company's products do not have a significant adverse impact on the environment and are not reclaimed by the company for recovery, reuse or recycling.
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	n/a	Integrated Report 2012, Why potash is important, 4. The Company's products do not have a significant adverse impact on the environment and are not reclaimed by the company for recovery, reuse or recycling.
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	●	'Protecting our environment', 68
EN30	Total environmental protection expenditures and investments by type.	●	

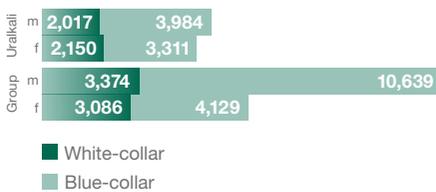
**Investments by OJSC Uralkali in environment protection measures in 2012 (US\$ million)**



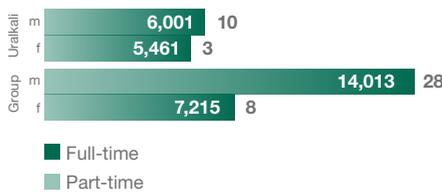
**Social: Labour Practices and Decent Work**

LA1	Total workforce by employment type, employment contact, and region broken down by gender.	●
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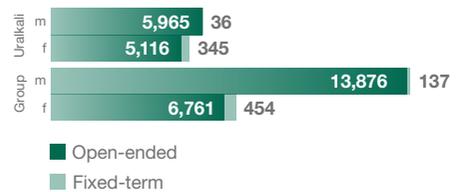
**Breakdown of blue-collar and white-collar employees**



**Total workforce by employment status**

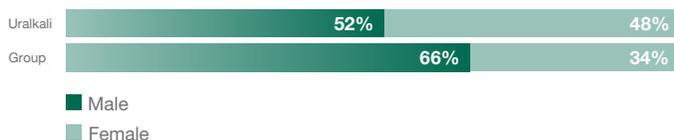


**Total workforce by type of employment contract**



Due to the nature of the industry, most of Uralkali's employees deployed in mining are men. Both men (66%) and women (34%) are employed in the production process and at the Company's subsidiaries. The use of female labour for heavy manual work and work in harmful and/or dangerous conditions, as well as in underground work other than non-physical work or work in sanitary and domestic services, is restricted under the Russian Labour Code.

## Employee gender breakdown (%)

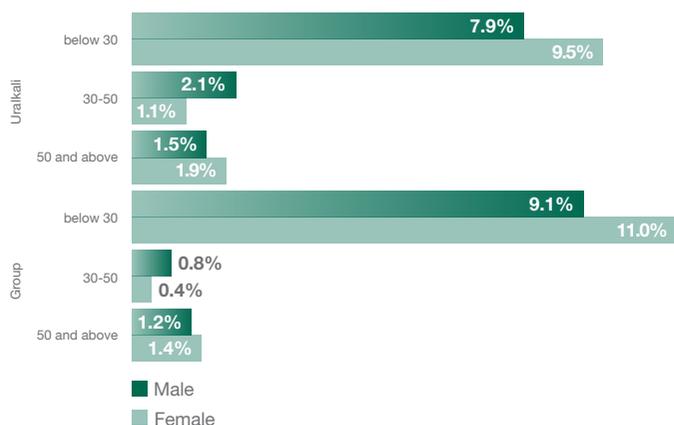


LA2 Total number and rate of new employee hires and employee turnover by age group, gender, and region.

● 'Committed to our people', 72

The Company monitors personnel turnover and analyses the factors affecting it. Uralkali's employee turnover rate in 2012 was 9.21%, which is in line with the industry average of 7–15%.

## Proportion<sup>1</sup> of employees leaving the entity in the reporting period (%)



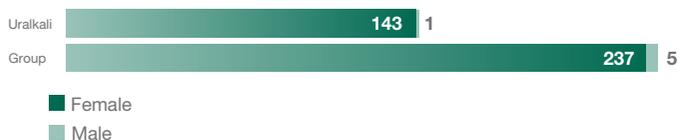
LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.

● 'Committed to our people', 72

LA15 Return to work and retention rates after parental leave, by gender.

●

## Number of employees on child care leave



## Number of employees returning to their jobs after child care leave



<sup>1</sup> The indicator is based on the number of employees hired by the Company for the first time.

LA4	Percentage of employees covered by collective bargaining agreements.	●
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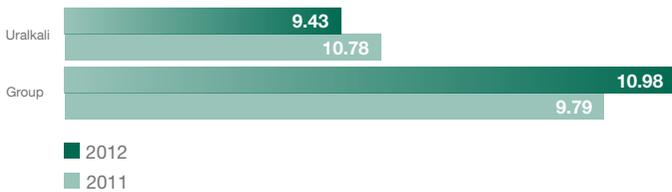
**Employees covered by collective bargaining agreements**



LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	●	Pursuant to Russian law, the Company gives its employees official notice in advance of any changes. Additional information is provided via the Company's internal media channels. The minimum notice period regarding significant operational changes is two months and is defined by the Russian Labour Code.
MM4	Number of strikes and lock-outs exceeding one week's duration, by country.	●	There were no strikes and lock-outs at the Company in the reporting year.
LA7 COMM	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and gender.	●	'Focused on employee safety', 64 Three employees (all men) died in accidents in 2012.

**Performance indicators**

**Lost day rate (LDR)<sup>1</sup>**



**Occupational disease rate (ODR)<sup>2</sup>**



The occupational disease rate at Uralkali, which carries out main production activities, is higher than at its subsidiaries due to the fact that they mostly comprise service and transportation companies.

LA8	Education, training, counseling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	●	The Company does not operate in areas with a high risk of serious diseases.
LA9	Health and safety topics covered in formal agreements with trade unions.	●	'Focused on employee safety', 64
LA10	Average hours of training per year per employee by gender and by employee category.	●	'Committed to our people', 72

<sup>1</sup> LDR is calculated based on the total number of work days lost per 200,000 hours worked.

<sup>2</sup> ODR is calculated based on the total number of newly diagnosed incidents of occupational diseases per 200,000 hours worked.

### Average hours of training per year per employee

	White-collar		Blue-collar	
	Male	Female	Male	Female
Uralkali	85	33	64	32
The Group	73	26	39	27

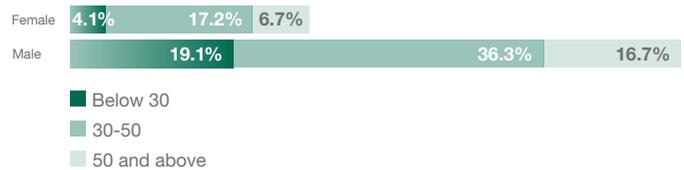
The average number of training hours per employee at Uralkali is higher due to the fact that the Group subsidiaries mostly comprise service and transportation companies and their employees do not require as much training as those occupied in the main production activities.

LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	●	'Committed to our people', 72
LA12	Percentage of employees receiving regular performance and career development reviews by gender.	●	'Committed to our people', 72
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	●	

### Group's management bodies gender and age breakdown for 2012 (number of people)



### Group's workforce gender and age breakdown for 2012 (number of people)



LA14	Ratio of basic salary of men to women by employee category.	●	
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Uralkali is committed to the principle of equal pay for men and women. In accordance with internal regulations, the same salary and rates are set for employees – irrespective of gender – who work in one unit and perform work of an equal level of difficulty that requires the same skills.

## Social: Human Rights

HR1	Percentage and total number of significant investment agreements and contracts that include human rights clauses or that have undergone human rights screening.	●	Uralkali regards any violation of the rights of its employees and other stakeholders as unacceptable. This stance applies to the Group as a whole, and is made clear to partners and contractors before entering into contracts with them.
HR2	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening and actions taken.	●	Uralkali regards any violation of the rights of its employees and other stakeholders as unacceptable. This stance applies to the Group as a whole, and is made clear to partners and contractors before entering into contracts with them. No special screening is done.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	●	'Committed to our people', 72
HR4	Total number of incidents of discrimination and corrective actions taken.	●	Uralkali does not practice discrimination with regard to its own employees and other stakeholders, and regards any discrimination as unacceptable.
HR5 COMM	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	●	Uralkali supports the right to exercise freedom of association and collective bargaining. This stance also applies to the Company's subsidiaries.
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	●	Uralkali regards the use of child labour as totally unacceptable. This stance also applies to the Group's subsidiaries and is made clear to the Company's counterparties before entering into contracts with them.
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	●	Uralkali regards the use of forced or compulsory labour as totally unacceptable. This stance also applies to the Group's subsidiaries and is made clear to the Company's counterparties before entering into contracts with them.
MM5	Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous Peoples' communities.	n/a	On the basis of Russian Government Resolution 255, 'On the official list of indigenous minorities of the Russian Federation', of 24 March 2000, Perm Krai, the region where the Company operates, is not on the list of constituent members of the Russian Federation where indigenous minorities live.
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	●	Uralkali regards human rights violations as totally unacceptable. This stance also applies to the Group's subsidiaries and is made clear to the Company's counterparties before entering into contracts with them.
HR11	Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms.	●	The Company fully complies with Russian legislation. No grievances were filed through formal grievance mechanisms in 2012.

## Social: Society

SO1 COMM	Percentage of operations with implemented local community engagement, impact assessments, and development programmes.	●	'Caring for our communities', 76
SO9	Operations with significant potential or actual negative impacts on local communities.	●	'Caring for our communities', 76 'Protecting our environment', 68
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	●	'Caring for our communities', 76 'Protecting our environment', 68
MM6	Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples.	n/a	On the basis of Russian Government Resolution 255, 'On the official list of indigenous minorities of the Russian Federation', of 24 March 2000, Perm Krai, the region where the Company operates, is not on the list of constituent members of the Russian Federation where indigenous minorities live.
MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and the outcomes.	n/a	On the basis of Russian Government Resolution 255, 'On the official list of indigenous minorities of the Russian Federation', of 24 March 2000, Perm Krai, the region where the Company operates, is not on the list of constituent members of the Russian Federation where indigenous minorities live.
MM8	Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks.	n/a	No artisanal and small-scale mining takes place at the Company's operating sites.
MM9	Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process.	●	'Caring for our communities', 76 'Protecting our environment', 68
MM10	Number and percentage of operations with closure plans.	●	There are no closure plans.
SO2	Percentage and total number of business units analyzed for risks related to corruption.	●	
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures.	●	'Committed to our people', 72
SO4	Actions taken in response to incidents of corruption.	●	

**Fraud and corruption prevention**

Since 2011 Uralkali has had an Anti-Fraud Programme (“Programme”) in place, which is aimed at establishing a comprehensive approach towards preventing, identifying and responding to fraud and corrupt practices.

The Company adopted an implementation schedule for the Programme, laying down a road map for 2012-2014.

In 2011, the Company launched a pilot project focusing on Procurement as part of the Programme. As part of the project, Uralkali analysed all aspects of business-processes, and identified particular sub-processes where fraud schemes may be realized. Based on the analysis, the Company elaborated a number of internal regulatory documents and corrective actions aimed at Fraud risk mitigation. The hotline service was upgraded, as well as the procedure for verifying and investigating information on fraud and corruption. Following the inspections, information is sent to the CEO, the executive director to whom the employee at fault reports, and the HR Director. Should an employee of the Company be found to have committed an administrative or criminal offence, all relevant materials are submitted to the law enforcement agencies. In 2012, Uralkali conducted various scheduled investigations that resulted in a number of measures, including dismissals and penalties.

As part of the Programme implementation, the business-processes at all the Company’s units were analysed to ascertain fraud and corruption risks. Area matrices were created, specifying business-units, business-processes, risk factors, fraud scheme features, and statistics on uncovered instances of fraud and corruption.

Based on the analysis of the created matrices, the development and implementation of particular actions focusing on Fraud risk mitigation is planned for 2013.

The Company implements on an ongoing basis measures aimed at preventing, exposing and responding to fraud and corruption. These include employee dismissal and the submission of relevant materials to law enforcement agencies. Conducting inspections in the event of a number of violations helps to prevent and mitigate losses.

The Company takes employees’ training in anti-corruption policies and procedures very seriously. Employees regularly undergo training in these areas, in accordance with a pre-agreed schedule.

About 3.4% of managers received training on the Company’s anti-corruption policies and procedures.

SO5	Public policy positions and participation in public policy development and lobbying.	●	‘Caring for our communities’, 76
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	●	In 2012, Uralkali settled its part of a lawsuit in the USA in which it was accused of being part of a cartel of global potash producers. Under the settlement, Uralkali is to pay the plaintiffs 12,750,000 US\$. The Final Approval Hearing will be held on 6 June 2013. In January 2021, in connection with an anti-trust probe, the Russian Federal Antimonopoly Service asked Uralkali to provide an explanation for the increase in the price of potash in January 2012. Having received the explanation, the FAS decided not to bring an antitrust suit.
SO8 COMM	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	●	The Company was not subject to any significant fines and non-monetary sanctions in the reporting period for noncompliance with laws and regulations.

**Social: Product Responsibility**

MM11	Programmes and progress relating to materials stewardship.	n/a	An effective and conscientious approach to materials stewardship is not required for the type of products in question.
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	n/a	The Company’s products do not have life cycle stages at which significant health and safety impacts are possible.
PR3	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.	n/a	There are no such information requirements for the Company’s products.
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	n/a	Marketing communications are not generally used to sell the Company’s products.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	●	The Company was not subject to any significant fines in the reporting period for noncompliance with laws and regulations.