



KEY PROJECTS (SDG 4)

Investing in future talent

PhosAgro Classes and PhosAgro Schools

Launched in 2013, PhosAgro Classes are part of the Company's education and training programme to build a future talent pipeline by supporting young people in their journey through school and university education to employment. The project covers 10th and 11th graders in five schools across the Company's footprint and offers them advanced programmes in physics, chemistry, mathematics and computer science. On top of that, the PhosAgro Classes curriculum includes economics, management, ethics, leadership, career planning and other disciplines.

The project is run under social and economic partnership agreements between PhosAgro and local authorities, with similar arrangements made with participating schools:

- Vologda region: in Cherepovets, the project partners are Secondary School No. 10, which offers advanced programmes in all relevant subject areas, and Education Centre No. 29;
- Leningrad region: in Volkhov, the project partner is School No. 1;
- Saratov region: in Balakovo, the project partner is Secondary School No. 25;
- Murmansk region: in Kirovsk, the project partner is Secondary School No. 5;
- in Apatity, the project partner is Secondary School No. 15.

During the first stage, we improved the facilities and equipment available at the schools covered by the project. This included newly launched subject-specific classrooms equipped with interactive whiteboards, multimedia devices, tablets and other tools, along with cutting-edge lab equipment and other advanced IT technology now available to students and teachers.

Since 2013, the Company has invested over RUB 400 mln in PhosAgro Classes, including RUB 250 mln spent on renovations and equipment.

The benefits of PhosAgro Classes include a comprehensive career guidance programme, an opportunity to learn from teachers with advanced qualifications, and guest lectures by university academics. The course also features subject-specific festivals and workshops, university tours, and site visits to production facilities.

In 2018, taking the success of PhosAgro Classes further, we expanded the project scope to include all grades in the supported schools, not just final-year students, launching PhosAgro Schools. They provide career-related learning as early as in primary school and rely on greater funding from PhosAgro, with PhosAgro Classes still enjoying popularity among both students and parents as one of our key educational and career guidance projects.

In December 2019, Balakovo-based Secondary School No. 25 saw the opening of an R&D lab launched as part of the PhosAgro Schools project. The lab provides career exploration opportunities in the fields related to PhosAgro's operations, while using R&D to excite the students' interest in engineering and technical professions. It uses the STEAM education model to integrate science, technology, engineering, arts and mathematics as part of interdisciplinary learning. Its classrooms provide a learning space for students doing research in chemistry, mathematics, technology, robotics, computer science, modelling and design.

Students at PhosAgro Schools take part in the Career Guidance programme led by PhosAgro experts, who support their research and development efforts in the fields relevant to the Company's operations.



2019 highlights

2019 was a milestone year for our educational programme, with the first graduates of PhosAgro Classes since their launch in 2013 getting their university degrees and joining the Group.

In September 2019, a total of nine former PhosAgro Classes students joined the Group as employees, including five in Cherepovets, two in Balakovo and one in Volkhov and Kirovsk each. All of them will pursue engineering careers, having demonstrated a high level of qualification from their first days on the job. We expect to hire 27, 40 and 45 former PhosAgro Classes students in 2020, 2021 and 2022 respectively.

125 of 126 PhosAgro Classes 2019 graduates have been admitted to higher educational institutions, with the St Petersburg Mining University enjoying the most popularity among them (26 graduates). Technical courses were selected by 98 graduates, with 38 of them to study disciplines relevant to PhosAgro. Since 2015, a total of 575 graduates of PhosAgro Classes have been enrolled in higher educational institutions, with technical careers gaining more traction among them every year.

In September 2019, 130 new students started their 10th grade programme at PhosAgro Classes, marking the seventh admission round since the project launch.

Collaboration with technical colleges

Since 2013, as part of its focus on nurturing talent from secondary schools to employment, PhosAgro has partnered with technical colleges across its footprint, including:

- Kirovsk branch of the Murmansk Arctic State University (Kirovsk, Murmansk region);
- Cherepovets College of Chemistry and Technology (Cherepovets, Vologda region).

These joint efforts cover:

- setting up testing grounds and labs for students to acquire hands-on experience using real equipment;
- internship programmes at PhosAgro's facilities with highly-qualified mentors;
- undergraduate and graduate thesis research;
- sports, educational and research initiatives, competitions, Olympiads.



In 2019, the first graduates of PhosAgro Classes joined the Group.

PhosAgro also supports a regional Training Centre at the Cherepovets College of Chemistry and Technology that offers express programmes in chemistry and associated fields to nurture talent for most in-demand jobs.

Collaboration with universities

We maintain strong relationships with universities as part of our commitment to improving access to quality education and supporting academic research.

To this end, PhosAgro has signed agreements with the following higher educational institutions:

- St Petersburg Mining University;
- Lomonosov Moscow State University;
- Ivanovo State University of Chemistry and Technology;
- Cherepovets State University;
- Mendeleev University of Chemical Technology of Russia;
- St Petersburg State Institute of Technology;
- Murmansk Arctic State University;
- other regional universities.

As part of collaboration with universities, PhosAgro:

- sponsors advanced training for graduates of PhosAgro Classes in the fields relevant to PhosAgro (subject to their commitment to future employment at the Company);
- offers scholarships to the most talented students (based on exam results);
- invites students to see the industry in practice at one of the Group's many companies;
- offers students a job in one of the Company's popular specialisations after they graduate.

High-Potential Graduates

We build upon the foundation laid by PhosAgro Classes and PhosAgro Schools by partnering with universities through our High-Potential Graduates programme as an avenue to better reach university students interested in working at PhosAgro. We offer programme recruits a competitive salary, as well as relocation and housing support, and we assign them a mentor upon their arrival at the Company.

The programme's key tasks are to build a talent pool for key positions within the Company and to identify career paths for young talented professionals to prepare future executives.



57 people

recruited by PhosAgro in 2019 through the High-Potential Graduates programme.

In 2019, PhosAgro recruited 57 young specialists through the High-Potential Graduates programme. This brought to 341 the total number of graduates who have joined the Company through this programme since its inception in 2012.

A total of 250 of these employees are still with PhosAgro today, pursuing careers in mineralogy, geology, hydraulic engineering, chemistry, thermal energy and electricity production, rail transport, open-pit and underground mining, and mine surveying.

Of the programme participants still employed at PhosAgro as at December 2019, a total of 18% had received promotions and/or had been included in our talent pool. Many of them had successfully completed the projects assigned to them upon recruitment.

INTERNATIONAL PROJECTS

Collaboration with the International Union of Pure and Applied Chemistry (IUPAC): Summer Schools on Green Chemistry

Since 2018, PhosAgro has been a general partner of IUPAC's Summer Schools on Green Chemistry providing scholarships to young researchers from developing economies. Over the course of two years, our total spending to support this project exceeded USD 30,000.

The second PhosAgro-supported Summer School on Green Chemistry operated in May 2019 at the University of Dar es Salaam in Tanzania as part of the International Year of the Periodic Table. The Company contributed more than USD 10,000 to the school's scholarship fund. The 2019 Summer School drew a broad audience of young scholars from emerging and transition economies. Of the 50 grant winners, 35 represented African countries.

The third IUPAC Summer School on Green Chemistry to be supported by PhosAgro is scheduled to open in July 2020 and will follow up on the outcomes of a symposium called Chemistry Addressing the UN-17 Sustainable Development Goals and held during the IUPAC Congress in July 2019.

PHOSAGRO WON TWO PRIZES AT THE 2019 AWARDS FOR RUSSIAN LEADERS IN CORPORATE PHILANTHROPY ADVANCING SUSTAINABLE DEVELOPMENT

Two of the Group's projects – PhosAgro Schools and Summer Schools on Green Chemistry – were honoured at the 2019 Awards for Russian Leaders in Corporate Philanthropy Advancing Sustainable Development.

The Awards are organised by the Donors Forum (a coalition of major grantmakers in Russia), the global audit and advisory services provider PwC, and the business newspaper Vedomosti to recognise the best charitable programmes and to promote corporate philanthropy in the business community and the broader society.

The PhosAgro Schools project won a second prize for the Best Corporate Social Investment Programme Targeted at Local Communities in Line With the Business Strategy and Sustainability Agenda – a category supported by the Russian Union of Industrialists and Entrepreneurs, while the Summer Schools on Green Chemistry won a third prize for the Best Partnership Programme Advancing Sustainable Development.

Overall, the Group ranked 22nd on the list of 40 Russian Leaders in Corporate Philanthropy, with a total of 65 major companies competing for the Awards in 2019.

“We are confident about the success of PhosAgro Schools and Summer Schools on Green Chemistry and are happy that the experts have appreciated them highly,” said Siroj Loikov, Deputy CEO of PhosAgro. “PhosAgro Schools successfully address the shortage of qualified workforce to operate state-of-the-art facilities, while Summer Schools promote Green Chemistry and support young scientists from around the world.”