



CORPORATE GOVERNANCE



Continuous improvement of corporate governance is Nornickel's absolute priority.





CHAIRMAN'S LETTER



Throughout 2022, despite a new wave of shocks that hit the economy following the sanctions introduced by several countries against Russia and the challenging geopolitical environment and economic uncertainty, Nornickel's Board of Directors consistently provided strategic leadership to the Company and monitored the achievement of the goals set for the management team.

In terms of improving the quality of corporate governance, the reporting year was marked by a number of important decisions. Nornickel's corporate practices cover most of the principles and recommendations of the Corporate Governance Code recommended by the Bank of Russia.

To further improve corporate governance and incorporate the Bank of Russia's recommendations, the Company updated its internal documents regulating disclosure, prevention of unlawful use of insider information and market manipulation as well as the documents dealing with internal audit, internal control and prevention of corruption and fraud.

For more details on the Company's approved and updated internal documents, please see [Corporate Governance Results section of this Annual Report](#).

The new developments that the Company had to deal with in 2022 gave its management a new perspective on the Company's priorities and its global goal – building safe and green cutting-edge production while driving sustainable business growth. The Company's business processes were promptly adapted to the new environment in 2023 to maintain its leading position in the global market.

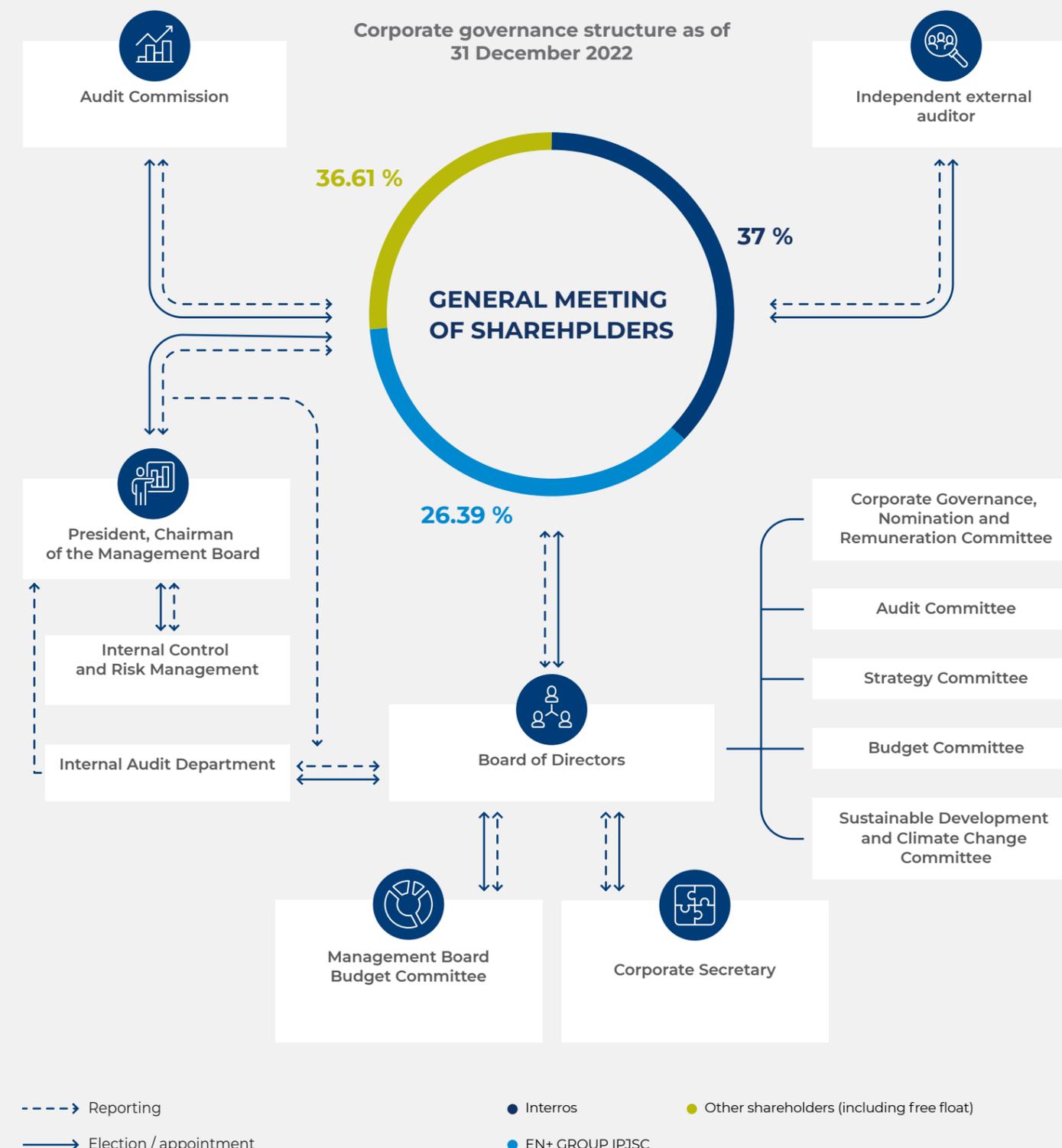
Dear shareholders, despite all the challenges of the reporting year, Nornickel achieved all its 2022 targets. The Company's robust balance sheet allows it to fully meet its obligations to employees, partners and the state while continuing to be a compelling investment case for shareholders and remain upbeat about the outlook on progress towards its long-term priorities.

Andrey Bougrov
Chairman of the Board of Directors
MMC Norilsk Nickel



As one of the world's largest metals companies, Nornickel is strongly committed to good corporate governance.

CORPORATE GOVERNANCE STRUCTURE





KEY PRINCIPLES

In its corporate governance practice, Nornickel is governed by the applicable Russian laws, the Listing Rules of PJSC Moscow Exchange, and the Corporate Governance Code recommended by the Bank of Russia¹. Nornickel's corporate governance system is designed to balance the interests of its shareholders, the Board of Directors, management as well as employees and other stakeholders.

Key corporate governance principles

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| <p>1 Equitable and fair treatment of every shareholder</p> | <p>6 Strong business ethics</p> |
| <p>2 Enabling shareholders to exercise their rights and legitimate interests in the most reasonable and convenient manner</p> | <p>7 Zero tolerance for corrupt behavior</p> |
| <p>3 Professionalism and leadership of the Board of Directors, and engaging independent directors in governing the Company</p> | <p>8 Full, transparent, reliable, and timely disclosure by the Company</p> |
| <p>4 Strategic management by the Board of Directors, its efficient control over executive bodies and oversight of the risk management and internal control framework</p> | <p>9 Robust internal control and risk management framework</p> |
| <p>5 Sound, diligent and efficient management of the Company's day-to-day operations by executive bodies accountable to the Board of Directors and the General Meeting of Shareholders</p> | <p>10 Adherence to sustainability principles</p> |

CORPORATE GOVERNANCE PERFORMANCE

In order to meet the Bank of Russia's recommendations to raise information transparency of the securities market, Nornickel has updated its internal documents regulating disclosures and identified events/facts with a potential to materially influence the price of the Company's securities.

To further improve its corporate governance and meet the Bank of Russia's recommendations on risk management, internal control and internal audit processes, in the reporting year, Nornickel developed new versions of the Regulations on the Internal Audit Department and Internal Control Policy as well as the Internal Audit Policy. The above documents were amended as follows:

- According to the new version of the Regulations on the Internal Audit Department, the Department has been tasked with the evaluation of the Company's corporate governance and the performance audit of its corporate sustainability risk management system;
- The Internal Control Policy was updated in terms of the composition of internal control entities and the Company's committees; its provisions regulating the division of responsibilities among the Company's departments were amended;
- The Internal Audit Policy has been developed bearing in mind the position of the Bank of Russia and the International Professional Practices Framework. The main purpose of the document is to regulate the internal audit procedures of the Company,

ensure their compliance with the principles of setting up and executing an internal audit, and define the scope of duties and control procedure for internal audit quality assurance and improvement.

During the reporting year, the Company approved a number of internal documents dealing with the prevention of corruption and fraud. In March 2022, the Board of Directors approved the Corporate Fraud Policy. The main purpose of the document is to prevent, identify and mitigate the risks of corporate fraud as well as to build and implement a corporate system of measures and mechanisms to prevent corporate fraud.

In addition, the Company updated its Procedure Rules for Anti-corruption Due Diligence of Internal Documents by the Head Office of MMC Norilsk Nickel as well as the Regulations on the Prevention and Management of Conflicts of Interest. The new version of the Regulations on the Prevention and Management of Conflicts of Interest includes a requirement to sign a conflict of interest declaration when entering into a contract with a sole proprietor or transactions with individuals, including former government and municipal employees. The amendments also stipulate that a notice of a pre-conflict situation and/or a conflict of interest (arising as part of the contractual procedure) should be filed with the Corporate Trust Line, or a notification should be sent to the employee who initiated the contract.

In addition, with a view to codifying the existing practice and further improving the regulatory framework to prevent unlawful use of insider information and market manipulation, the Company has updated its Internal Control Rules for Preventing, Detecting and Stopping the Unlawful Use of Insider Information and/or Market Manipulation, and the Regulations on the Procedure for Keeping the List of Insiders. The updated Regulations take into account the amendments made to the Bank of Russia's regulations on maintaining insider lists.

In 2023, Nornickel intends to continue improving its corporate governance practice.

Given the importance and significance of anti-corruption procedures, the Company plans to approve an internal document to regulate the identification, assessment and management of corruption risks in 2023.

¹ The Bank of Russia's Letter No. 06-52/2463 On the Corporate Governance Code, dated 10 April 2014.



COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Nornickel's corporate governance standards are based on the principles and recommendations of the Bank of Russia's Corporate Governance Code, and the Company continues to consistently incorporate and implement them.

The Company's compliance with the Corporate Governance Code's principles and recommendations in 2022 was

evaluated using a format recommended by the Bank of Russia's Letter No. IN-06-28/102 dated 27 December 2021.

Nornickel's corporate practices cover most of the Corporate Governance Code's principles and recommendations. In case of a partial non-compliance, the Company provides an appropriate explanation and description of the corporate governance

mechanisms and tools used by it instead of those recommended by the Code. For the full 2022 Corporate Governance Code Compliance Report, including comments, please see an [Appendix](#) to this Annual Report.

Compliance with the Corporate Governance Code recommendations in 2022¹

Corporate governance principles	Full compliance		Partial compliance		Non-compliance	
	2021	2022	2021	2022	2021	2022
Rights and equal opportunities for shareholders in exercising their rights	9	10	4	3	-	-
Board of Directors	28	25	8	11	-	-
Corporate Secretary	2	2	-	-	-	-
Remuneration system for members of the Board of Directors and senior management	6	7	4	3	-	-
Risk management and internal control framework	5	5	1	1	-	-
Company disclosures	4	4	3	3	-	-
Material corporate actions	3	3	2	2	-	-

STAKEHOLDER RELATIONS

To achieve operational excellence and further improve corporate governance, Nornickel is strongly focused on engaging its stakeholders in corporate governance, taking their needs into account when making important decisions.

At the end of the reporting year, Nornickel presented its 2022 sustainability results. The Company annually invites a wide range of experts to a dialogue in order to take into account the opinions of all its stakeholders. Nornickel's strategy is underpinned by its sustainability agenda. The Company regularly engages with stakeholders to understand expectations and take the pulse of public opinion on corporate environmental and social sustainability. This year's results were presented by the Company's top managers in an online format. More than 200 people attended the conference, including Company employees,

government authorities, businesses, local communities, environmental and other non-profit organisations, and industry bodies.

A well-built and clear corporate governance framework which is transparent for both Russian and foreign shareholders and investors as well as active stakeholder engagement directly affect the investment decisions and the price of the Company securities.

DIALOGUE WITH INVESTORS

The Company is committed to making mandatory disclosures in line with global best practice. To make its disclosures more meaningful and comprehensive, Nornickel uses an array of disclosure tools, including press releases, presentations,

annual and sustainability reports, issuer reports, corporate action notices, and interactive tools. Nornickel ensures parallel disclosure of all material information both in Russian and English, with the latter being done via a regulatory information service approved by the UK regulator.

Nornickel's quarterly disclosures made via its official website include its operating results and RAS financial statements. IFRS financial statements are released on a semi-annual basis. To maintain strong investor relations, the Company makes extensive use of various communication tools, including conference presentations, road shows, site visits for investors, etc.¹

[For more details on investor relations, please see the Investor Relations section of this Annual Report.](#)

DIALOGUE WITH EMPLOYEES

The Company regularly runs open online conferences between employees and senior management to identify strengths and weaknesses in communication and improve corporate governance. A challenging geopolitical environment, production upgrades and ambitious investment projects transform the approaches to work, routines, sustainability, safety, and environmental protection. To retain its leadership in the market, the Company needs to address new challenges, which is next to impossible without employee involvement. During the Nornickel

Live annual broadcast, Nornickel's vice presidents answered employee questions and discussed the Company's news and future plans. March 2022 saw another Direct Line live broadcast, with top management fielding questions from Nornickel employees. The key topic was social support for Company employees in a challenging economic environment. Over 5 thousand questions from Nornickel employees were received during the live event. The issues discussed during the event included, among others, wage indexation across the Company's footprint, payment of a one-time, first-quarter extra bonus in the amount of a monthly base salary and the Company's decision to increase its financial assistance

fund for employees in difficult life situations. All in all, RUB 20 billion were allocated to the above measures, with the total amount of employee support in 2022, including the indexation earlier this year, reaching RUB 50 billion (including deductions to budgetary funds).

¹ The data are given for 2021 and 2022, since the form of the Corporate Governance Code Compliance Report was changed in 2021 (the Bank of Russia's Letter No. IN-06-28/102 dated 27 December 2021).

¹ Information on upcoming events is posted in the [IR Calendar](#) on the Company website.



PARTNERSHIP AND COOPERATION

Nornickel is building a multipurpose sports complex in Moscow. It will include a basketball centre, which will serve as a home arena for the CSKA basketball club (Professional Basketball Club CSKA is part of the Norilsk Nickel Group). The total area of the new sports complex on Leningradsky Avenue will be approximately 55 thousand sq m. The complex is expected to be completed by the end of 2023.

Nornickel is stepping up its cooperation on environmental protection with the Russian academic circles. During the reporting year, Nornickel launched a large-scale biodiversity study in the three Russian regions hosting the Company's operations. The study seeks to delineate the areas affected by the Company's operations and assess the current ecosystem biodiversity status. The findings by researchers will feed into the design of the biodiversity impact management system and help develop the biodiversity conservation and monitoring programmes. In addition, these findings will enable the identification and implementation of priority measures necessary for biological diversity conservation. The biodiversity-focused Great Scientific Expedition builds on the successful partnership between Nornickel and the Siberian Branch of the Russian Academy of Sciences, which started in 2020 with the Great Norilsk Expedition. By initiating voluntary large-scale environmental studies across its operating regions, the Company collects up-to-date information about the current condition of the environment across its footprint while also unlocking opportunities to further reduce its environmental impact.

In April, Nornickel signed a cooperation agreement with ROSATOM. The parties agreed to pursue a number of strategic projects in the Russian Arctic to enhance the Northern Sea Route infrastructure and Arctic shipping, including to implement shipbuilding projects and further develop the nuclear-powered icebreaker fleet. The agreement also contemplates a joint project to develop

the Kolmozerskoye lithium deposit in the Murmansk Region and launch further deep processing of lithium raw materials. Kolmozerskoye is the largest and most promising deposit of lithium ores, accounting for 18.9% of domestic reserves. Nornickel and ROSATOM have established Polar Lithium, a 50-50 joint venture with equal governance rights, to implement the project by combining the parties' assets and capabilities. Lithium mining will help set up the first domestic production of lithium-containing products as well as the production of lithium-ion traction batteries.

Also in 2022, Nornickel entered into two agreements to bolster its energy assets.

- Nornickel will hand over control and dispatch functions in the Norilsk energy system to the System Operator of the United Power System (SO UPS). The agreement contemplates the transfer of control and dispatch functions in the technologically isolated territorial power supply system in the Taimyrsky (Dolgano-Nenetsky) Municipal District to the Krasnoyarsk Regional Dispatch Office, a branch of SO UPS. The transfer will be phased and is expected to be completed by the end of 2023, with the parties working closely to expand the areas of dispatch responsibilities for SO UPS. In addition, the parties will bring their information systems in sync with each other to facilitate the exchange of process data between NTEC and SO UPS as part of the dispatch and technological control. This is necessary to streamline interoperability and harmonise technologies used by power supply entities across Russia. Going forward, these steps will make it possible to integrate the operational parameters of the isolated territorial power supply system of the Taimyrsky (Dolgano-Nenetsky) Municipal District into the information model developed by the Unified Energy System of Russia in line with the national standards.
- The other energy-related agreement was signed by Nornickel with Rosseti North-West, a power grid company. Nornickel plans to fully abandon the use of fuel oil at the Company's Monchegorsk site. This

investment project will help reduce pollutant emissions and facilitate Nornickel's transition to modern green technologies.

In 2022, Nornickel entered into an agreement with RusHydro for the purchase of hydropower. The agreement marked another step in the implementation of the Company's environmental strategy, which, among other things, provides for the gradual transition to carbon-free energy in the Company's operations. The new agreement will enable Bystrinsky GOK to transition approximately 30% of its energy needs to carbon-free sources. This will lead to a reduction of GHG emissions by 100 thousand tonnes of CO₂ equivalent in absolute terms in 2022 and also contribute to the Company's environmental KPIs, e.g. cut its Scope 2 emissions. In addition, the plant continues to improve its energy efficiency and is currently assessing the feasibility of building new renewable energy facilities in the Zabaykalsky Territory.

In December 2022, Nornickel and Atomflot signed a long-term charter contract for a new Project 22220 icebreaker. The signing ceremony took place in Saint Petersburg as part of the Arctic: Today and the Future forum. This is a new long-term contract, unique in its duration. According to the document, the nuclear-powered icebreaker of the 22220 series will be used to escort vessels navigating the Northern Sea Route in the interest of Nornickel for a period through 2041, with an extension option until the end of 2051. Currently, Nornickel is using Sibir, a nuclear-powered icebreaker, under a short-term charter contract. Since early 2022, the icebreaker has supported year-round navigation on the Murmansk/Arkhangelsk – Dudinka route, escorting ships at a service speed in the Yenisei Bay. The new contract is part of a far-reaching strategic partnership between Nornickel and ROSATOM, which aims to further develop the Northern Sea Route. It meets the long-term interests of both parties: as a major consumer of icebreaker escort services, Nornickel receives guaranteed icebreaker support for the long term, while ROSATOM, as the Northern Sea Route infrastructure

operator, secures orders for its current icebreaking fleet and a source of funding for the construction of new icebreakers.



DIALOGUE WITH INDIGENOUS MINORITIES

Nornickel's engagement with the indigenous peoples of the North inhabiting Taimyr is based on respect for the customs, traditions and culture of the indigenous communities. It takes place on a regular basis, covers all areas of mutual interest and relies on a holistic approach.

In May 2021, the local indigenous communities spearheaded the creation of the Indigenous Communities Coordination Council to engage with the tribal communities involved in traditional economic activities in Taimyr. Currently, the Coordination Council includes 53 indigenous local communities. The Coordination Council facilitates cooperation between indigenous communities and Nornickel, including under the Company's RUB 2 billion five-year programme to support the indigenous peoples of Taimyr.

The programme was set up with the direct and immediate participation of representatives of indigenous communities and covers all aspects of indigenous life – social, economic, cultural, and linguistic, taking into account the needs and demands, values and views, ethnic traditions, and culture of the indigenous peoples inhabiting Taimyr.

A department responsible for liaising with indigenous peoples of the North was set up within the Polar Division to promote a direct dialogue. The new format of the Company's direct dialogue with indigenous communities has significantly expanded the scope for engagement and created conditions to build their sustainability capacity by further improving rural infrastructure, advancing the economy by creating new industries based on traditional uses of natural resources that ensure processing of agricultural products and higher added value as well as by preserving historical traditions and cultural heritage.

Within its efforts to further improve its indigenous engagement formats, the Company pioneered the use of the free, prior and informed consent (FPIC) procedure for indigenous peoples in the Russian Arctic, offering relocation and community development options to indigenous people living in the Tukhard settlement area. Tukhard was founded in the 1970s as a rotation camp for the Norilskgazprom construction project workers. The new infrastructure and improved transportation options attracted nomadic indigenous people from nearby, who settled in the construction trailers abandoned on site. With a view to improving the living conditions in Tukhard, the Company proposed to build a new settlement and relocate the residents. Although the FPIC procedure

RUB **2** bn

programme to support the indigenous peoples of Taimyr

the Coordination Council includes

53 indigenous local communities

is not part of the Russian law, Nornickel proposed to solve the relocation problem in line with international standards codified in the UN Declaration on the Rights of Indigenous Peoples.

Nornickel held initial consultations with the indigenous communities in the settlements of Lovozero and Krasnoshchelye in the Murmansk Region in view of the looming start of the Kolmozerskoye lithium mining project. Sámi, Nenets and Komi as well as representatives of reindeer farms, and independent experts on indigenous rights attended the meeting, the main purpose of which was to set up a two-way dialogue between the Company and indigenous peoples, to inform local communities about the upcoming project, and to listen to and record suggestions and comments put forward by local indigenous organisations. During the consultations, Nornickel representatives told the audience about the Company's principles of engagement with indigenous people and about the Kolmozerskoye project. Geological studies of the Kolmozerskoye deposit were conducted back in the 1950s, and much of the project data has yet to be verified. The parties also discussed basic approaches to ethnographic and sociological research. The Company confirmed its intention to collect and verify all possible information on the range, nature and scale of traditional trades, sacred sites and burials, to identify the range of people potentially affected by the project, and to make detailed maps of the project area in the near future. The research will be carried out with the involvement of leading scientific institutions and in cooperation with indigenous peoples.



In October 2022, Murmansk hosted the Public-Private Partnership for the Sustainable Development of Indigenous Peoples, an international forum sponsored by Nornickel. Organised by the Federal Agency for Ethnic Affairs, the Ministry for the Development of the Russian Far East and Arctic, the Ministry of Foreign Affairs of the Russian Federation, and Nornickel, the event welcomed more than 200 delegates from Russia and other countries. The participants included representatives of federal and regional authorities, businesses, associations of indigenous peoples, international organisations as well as reindeer herders and leaders of tribal communities of Taimyr, Yamal, Chukotka, and many other regions. The forum is included in the work plan for the Russian chairmanship of the Arctic Council. The forum participants discussed best indigenous engagement practices of industrial companies. Generally accepted global approaches in this area include due diligence policies requiring targeted consultation by businesses with indigenous peoples when engaging in industrial operations in indigenous territories.

GOVERNMENT RELATIONS

The Company's representatives also take part in parliamentary hearings and round table discussions organised by the Federation Council and State Duma of the Federal Assembly of the Russian Federation, the Government of the Russian Federation, the Russian Union of Industrialists and Entrepreneurs (RSPP),

the Civic Chamber of the Russian Federation, the Chamber of Commerce and Industry of the Russian Federation, the Association of Managers interregional non-governmental organisation, etc.

Nornickel's experts are involved in discussing draft regulations through anti-corruption expert reviews and regulatory impact assessments. This all helps to maintain a constructive dialogue with the government, cut red tape and improve the country's business climate. Nornickel's representatives also sit on various working groups created by federal executive authorities to help implement the regulatory guillotine mechanism.

In 2022, Nornickel and the Federal Supervisory Natural Resources Management Service signed cooperation agreements. The first agreement provides for the exchange of information and joint implementation of environmental initiatives. The second one is a pilot project, being the first agreement in the Russian Federation that contemplates receiving advice from the Federal Supervisory Natural Resources Management Service for Nornickel's future investment projects.

Nornickel has supported the development of IN'HUB, a platform that will enable the creation of a global innovation centre in Russia in cooperation with international partners. The project initiated by Nornickel has been endorsed by more than 20 foreign associations and inventors' organisations. As a responsible corporate citizen, Nornickel took the lead in proposing an innovation accelerator in Russia to help identify industrial

applications for various inventions and technologies developed by scientific and operational teams, businesses and organisations, or any creative individual in general.

In June 2022, about 200 participants from more than 100 largest tech companies from Russia, Kazakhstan and Belarus as well as representatives of federal, regional and municipal authorities came to Norilsk by the invitation of Nornickel. For two days, participants of the forum discussed the capability of the domestic manufacturing sector to meet the needs of Nornickel and other large Russian businesses in all necessary supplies and equipment. A lot of attention was paid to government-sponsored business support measures and incentives for entrepreneurs in the Arctic region. The focus of the forum was on import substitution – one of the most important themes for the entire Russian manufacturing sector.

Nornickel has a long and successful history of cooperation with many Russian companies. Over 30 letters of intent were signed during the two days of the forum to formalise joint import substitution efforts between Nornickel and its potential suppliers.

In October 2022, the Federation Council, the upper chamber of Russia's parliament, hosted a photo exhibition of the Clean Arctic project pursued in partnership with Nornickel. The most active participants in the Arctic Environmental Initiative, including the Company, were awarded letters of acknowledgment.

MANAGING CONFLICTS OF INTEREST

Nornickel has developed measures to prevent potential conflicts of interest involving shareholders, Board members and senior managers.

The Company's Articles of Association set forth the procedure for approving transactions by shareholders who hold more than 5% of voting shares. Such transactions are only made if approved by a qualified majority of Board members (at least 10 out of 13 votes).

Transactions that have the attributes of interested-party transactions are regulated by the law on joint stock companies.

The Company also has in place the Code of Conduct and Business Ethics for Members of the Board of Directors, which aims to reinforce high standards of ethics and business conduct among members of the Board of Directors and serves as guidance in the event of ethical risks and conflict of interest situations. The Code provides for the obligation of members of the Board of Directors and the Management Board are to refrain from

actions that may result in a conflict of interest, and if such a conflict arises, they should promptly inform the Corporate Secretary in writing about such conflict.

If a Board member has a direct or indirect personal interest in a matter reviewed by the Board of Directors, they should inform other members of the Board of Directors before the matter is reviewed or a relevant resolution is passed, and refrain from participating in the review and from voting on the matter. In 2022, no notifications of conflicts of interest were received from members of the Board of Directors.





GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the highest governance body of MMC Norilsk Nickel responsible for making decisions on matters most critical to the Company's performance. Matters within the remit of the General Meeting of Shareholders are listed in the Company's Articles of Association, and the procedures for convening, preparing and holding general meetings are detailed in the Regulations on the General Meeting of Shareholders.

to its convocation date. Except for the cumulative voting to elect members of the Board of Directors, each voting share represents one vote at the General Meeting of Shareholders.

registrar (official website: Shareholder's Personal Account, rrost.ru). Each time, more and more shareholders take advantage of this service enabling them to vote regardless of their location.

Three General Meetings of Shareholders were held in 2022. All meetings were held in absentia via an easy-to-use and reliable e-voting service. The e-voting service for general meetings of shareholders is provided by IRC – R.O.S.T., the Company's

The notice of a General Meeting of Shareholders is published on Nornickel's website at least 30 calendar days prior

General Meetings of Shareholders held in 2022

Meeting date

3 June 2022 – an Annual General Meeting of Shareholders (held in absentia)

11 August 2022 – an Extraordinary General Meeting of Shareholders (held in absentia)

24 November 2022 – an Extraordinary General Meeting of Shareholders (held in absentia)

Agenda

The Meeting approved the Annual Report, annual accounting statements and consolidated financial statements for 2021.

Profit for the period was distributed, and the resolution on FY 2021 dividend payout was passed.

A new Board of Directors and Audit Commission were elected; resolutions on their remuneration were passed.

The auditor was approved to audit Nornickel's Russian accounting (financial) statements for 2022, consolidated financial statements for 2022 and interim consolidated financial statements for 1H 2022.

An interested party transaction (liability insurance of members of the Board of Directors and the Management Board) and related interested party transactions (indemnification of members of the Board of Directors and the Management Board) were approved.

The Meeting resolved to reduce the Company's authorised capital by cancelling the shares repurchased by the Company.

The Meeting resolved to terminate early the powers of Board members and elect a new Board of Directors.

Meeting quorum, %



Attendance at General Meetings of Shareholders

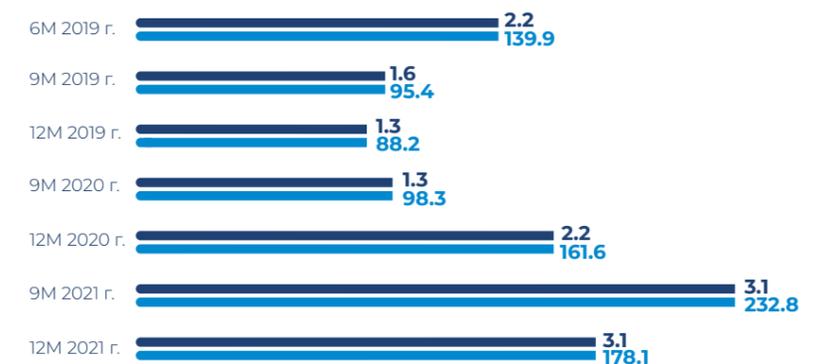


DIVIDENDS

Dividends in 2022

On 28 April 2023, the Company's Board of Directors recommended that the Annual General Meeting of Shareholders resolve not to pay a final dividend for the financial year 2022. The resolution will be passed at the Annual General Meeting of Shareholders on 6 June 2023.

Dividend history



¹ AGM – Annual General Meeting of Shareholders.

² EGM – Extraordinary General Meeting of Shareholders.

● Dividends paid, USD bn

● Dividends paid, RUB bn



BOARD OF DIRECTORS AND BOARD COMMITTEES

COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors plays a crucial role in designing and developing the corporate governance system, ensures the protection and exercise of shareholder rights and supervises executive bodies. Guided by the principles of mutual respect and humanism.

The Board's authority and formation process, as well as the procedure for convening and holding Board meetings are determined by the Company's [Articles of Association](#) and Regulations on the Board of Directors.

According to Nornickel's Articles of Association, the Board of Directors has 13 members. The current size of the Board of Directors ensures a balanced mix of professionalism, expertise and experience required for the Board to properly perform its functions and best align its activities with the Company's goals and objectives. All Board members enjoy an impeccable business reputation and recognition (including among investors) and have no conflicts of interest with Nornickel. The current Board of Directors comprises six independent directors. An objective judgement that independent

directors bring to the table, along with their constructive feedback, is a valuable contribution to the Board's leadership and the Company's operations on the whole. The independent directors' contribution to decision making helps align the interests of various stakeholder groups while improving the quality of management decisions.

As at 1 January 2022, the Board of Directors consisted of Sergey Barbashev, Sergey Batekhin, Alexey Bashkirov, Sergey Bratukhin, Sergey Volk, Marianna Zakharova, Sergey Luchitsky, Roger Munnings, Gareth Penny, Maxim Poletaev, Vyacheslav Solomin, Evgeny Shvarts, and Robert Edwards, who were elected at the 2021 Annual General Meeting of Shareholders.

In March 2022, foreign nationals Gareth Penny, Roger Munnings and Robert Edwards announced their resignation from the Board of Directors.

Following the Annual General Meeting of Shareholders that took place on 3 June 2022, Sergey Bratukhin, Sergey Barbashev and Vyacheslav Solomin stepped down

from the Board of Directors, and Denis Alexandrov, Andrey Bougrov, Alexey Germanovich, Alexey Ivanov, Vsevolod Rozanov, and Egor Sheibak were elected as new Board members.

Following the Extraordinary General Meeting of Shareholders that took place on 24 November 2022, Maxim Poletaev and Vsevolod Rozanov stepped down from the Board of Directors, with Elena Bezdenezhnykh and Alexandra Zakharova elected as new Board members.

As at 31 December 2022, the Board of Directors had 13 members, including:

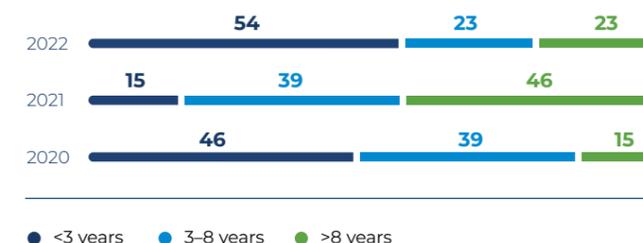
- six independent directors: Denis Alexandrov, Alexey Germanovich, Sergey Volk, Alexey Ivanov, Stanislav Luchitsky, and Evgeny Shvarts
- six non-executive directors: Andrey Bougrov, Sergey Batekhin, Alexey Bashkirov, Elena Bezdenezhnykh, Alexandra Zakharova, and Egor Sheibak
- one executive director: Marianna Zakharova

Status of Board members (%)



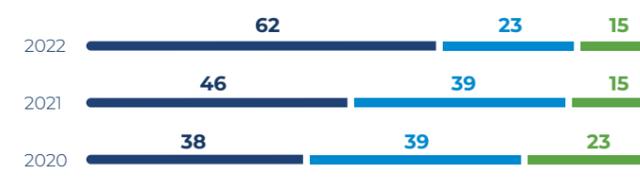
● Independent directors ● Non-executive directors ● Executive directors

Tenure on the Board of Directors (%)



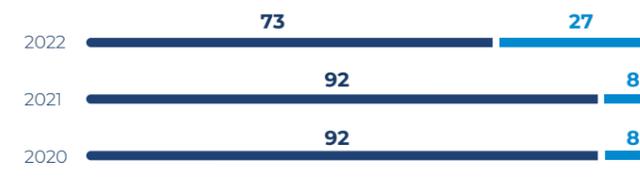
● <3 years ● 3-8 years ● >8 years

Board composition by age group (%)



● 35-50 years ● 51-61 years ● Over 61 years

Board composition by gender (%)



● Male ● Female





Chairman of the Board of Directors

The Chairman of Nornickel's Board of Directors leads the Board of Directors, convenes and chairs its meetings, ensures constructive collaboration between the Board members and corporate management.

Since March 2013, the Board of Directors was chaired by Gareth Penny, who in line with global best practice was an independent director. In March 2022, due to the challenging geopolitical situation, independent non-executive directors Gareth Penny, Roger Munnings and Robert Edwards decided to step down from the Board of Directors. Since Gareth Penny could not perform his duties as the Board Chairman, the Board of Directors decided to delegate the functions of convening and holding the

Company's Board meetings, organising the keeping and signing of their minutes, as well as presiding over its meetings to Sergey Batekhin, Deputy Chairman of the Company's Board of Directors.

The increased pressure of sanctions on the Company and the dramatically wider scope of strategic challenges called for a better coordination within the entire management team. Non-executive Director Andrey Bougrov was elected as Chairman of the Company's Board of Directors in June 2022 for the Board to effectively handle its tasks. Andrey Bougrov's long track record at the Company offers a range of advantages since he knows the ins and outs of the Company's operations and its internal business processes, which helps better understand them and facilitates fast but high-quality decision making. In his role as Senior Vice President for Sustainable

Development, Andrey Bougrov focused on aligning the Company's development strategy with the sustainability agenda, monitoring corporate internal procedures, policies and organisational structure for compliance with the requirements of international sustainability associations and certification procedures, as well as on preparing and further improving the Company's sustainability reporting to bring it closer in line with international non-financial reporting standards. Andrey also oversaw the Company's investor relations. Andrey Bougrov also boasts a vast track record of serving on expert councils on governance and sustainability, and chairs the Share Issuers Committee of Moscow Exchange.

[For more details on Andrey Bougrov's biography, please see this Annual Report and the Company website.](#)

Independent directors

Independent directors assist the Board in making decisions that take into account the interests of various stakeholder groups while improving the quality of management decisions.

In 2022, in line with corporate governance best practice, Nornickel's Board of Directors regularly evaluated Board nominees and new members against the independence criteria set out in the Company's Articles of Association and the Listing Rules of PJSC Moscow Exchange. If a sign/signs of relationship was/were identified, the nature of such relationship was comprehensively assessed.

Where the identified relationship was established to be formal in nature, the Company's Board of Directors determined whether the Board member in question met the independence criteria based on a recommendation by the Corporate Governance, Nomination and Remuneration Committee. Thus, Board member Alexey Germanovich was determined to be independent despite his formal relationship with the Company's contractor since such relationship did not affect his ability to exercise independent, fair and unbiased judgement. Alexey Germanovich has signed a relevant statement, under which the Director committed to represent the interests of all shareholders and the

Company, despite the fact that he meets a formal relationship criterion, and inform the Board of Directors if he might start to meet any other relationship criteria or have a conflict of interest, or other ethical issues.

Over the year, the Company was in compliance with the requirements of the Listing Rules of PJSC Moscow Exchange as regards the number of independent directors on the Board.

Thus, as of 31 December 2022, 6 out of the 13 Directors, or 46.2%, were independent (Denis Alexandrov, Sergey Volk, Alexey Germanovich, Alexey Ivanov, Stanislav Luchitsky, and Evgeny Shvarts).

The Board's experience and skill mix

Name	Tenure on the Board of Directors	Key skills					
		Strategy	Law and corporate governance	Finance and audit	Metals and mining / engineering	International economic relations	ESG
Composition of the Board of Directors as at 2022-end							
Andrey Bougrov Non-executive Director, Chairman of the Board of Directors	2002–2020 2022 — to date		●		●	●	●
Denis Alexandrov Independent Director	2022 — to date	●		●			●
Sergey Batekhin Non-executive Director	2020 — to date	●	●	●		●	
Alexey Bashkirov Non-executive Director	2013 — to date	●	●	●		●	
Elena Bezdenezhnykh Non-executive Director	2022 — to date	●	●		●		
Sergey Volk Independent Director	2019 — to date		●	●			
Alexey Germanovich Independent Director	2022 — to date		●	●			●
Marianna Zakharova Executive Director	2010 — to date		●		●		
Alexandra Zakharova Non-executive Director	2022 — to date			●	●		●
Alexey Ivanov Independent Director	2022 — to date			●			
Stanislav Luchitsky Independent Director	2021 — to date	●	●		●		●
Evgeny Shvarts Independent Director	2019 — to date	●			●		●
Egor Sheibak Non-executive Director	2022 — to date		●	●	●		
As at 31 December 2022, the average tenure on the Board of Directors was 4.8 years		6	9	8	7	3	6
Board members who stepped down in 2022							
Gareth Penny Independent Director	2013–2022	●			●	●	●
Roger Munnings Independent Director	2018–2022			●	●		●
Robert Edwards Independent Director	2013–2022		●	●	●		●
Sergey Barbashev Non-executive Director	2011–2022		●				
Sergey Bratukhin Independent Director	2013–2022	●	●	●	●		
Vyacheslav Solomin Non-executive Director	2019–2022			●			
Maxim Poletaev Non-executive Director	2019–2022	●		●		●	
Vsevolod Rozanov Independent Director	2022		●	●			●



SELECTION CRITERIA AND SUCCESSION

The performance of the Company's Board of Directors is largely driven by a mix of skills, qualifications, experience, independent judgement, and degree of independence on the Board. The number of Board members and the composition of the Company's Board of Directors enable fair and comprehensive review of matters, most informed decision making, timely detection and prevention of conflicts of interest, as well as effective performance of the Board's other functions. When electing members to the Board of Directors, the Company is guided by the principles recommended by the Bank of Russia:

- Having a mix of skills on the Board of Directors that enables it to work as a close-knit team of professionals to drive informed and professional collective decision making by the Board;

- Balanced composition, whereby the experience, expertise and skills of the Company's Board members complement each other and help the Board of Directors exercise fair and impartial judgement, timely identify strategic risks and assess their potential impacts;
- diversification, whereby the Board of Directors is able to review matters from different perspectives, bring up new ideas for discussion and make more balanced decisions;
- Tailored approach, whereby the Company itself decides on the optimal composition of the Board of Directors and its committees and maintains succession plans for them considering the Company's objectives, business profile and other factors;

- Independence, whereby the Board of Directors strives to make the most fair and independent decisions. Independent directors on the Company's Board of Directors play an important role in maintaining a balance of interests between various shareholder groups and working out the best possible solutions;
- Information transparency, whereby shareholders are provided with timely information about candidates, their professional qualities, experience, and skills.

TRAINING OF BOARD MEMBERS

In order to update the knowledge of the Company's Board members and better involve them in the Company's processes, in July 2022, the Company's management prepared and held a webinar for Board members on safety culture leadership,

with training courses on handling insider information delivered on a regular basis for directors.

In September 2022, to keep up to date with local developments and progress on ESG adoption, the Company's top

managers and Board members visited production sites at Norilsk. A number of informal discussions and meetings took place during the visit.

BOARD OF DIRECTORS' PERFORMANCE

In 2022, the Company's Board of Directors held

38 meetings

9 meetings in person

105 matters reviewed

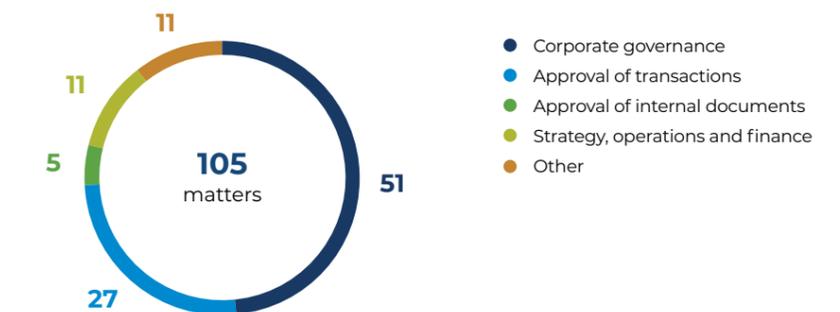
Number of Board meetings



- In person
- In absentia
- Number of matters reviewed

During the year, the Board of Directors continued to focus on matters critical to the Company's sustainable growth, investor relations strategy, and operational and financial performance.

Matters reviewed in 2022 (%)





Attendance of Board and committee meetings in 2022¹

In 2022, attendance at Board meetings was 100%.

Name	Status	Attendance at Board meetings			Attendance at committee meetings				
		Total	In person	In absentia	Strategy Committee	Budget Committee	Audit Committee	Corporate Governance, Nomination and Remuneration Committee	Sustainable Development and Climate Change Committee
Andrey Bougrov	Non-executive Director / Chairman of the Board of Directors	21/38	7/9	14/29					
Denis Alexandrov	Independent Director	21/38	7/9	14/29	3/4		11/15		2/4
Alexey Bashkirov	Non-executive Director	38/38	9/9	29/29	4/4	2/3	4/15		1/4
Elena Bezdenezhnykh	Non-executive Director / Chairwoman of the Strategy Committee	6/38	3/9	3/29	2/4				
Sergey Batekhin	Non-executive Director / Chairman of the Budget Committee	38/38	9/9	29/29	4/4	3/3	3/15	19/19	1/4
Sergey Volk	Independent Director / Chairman of the Corporate Governance, Nomination and Remuneration Committee	38/38	9/9	29/29		1/3	14/15	19/19	1/4
Alexey Germanovich	Independent Director / Deputy Chairman of the Corporate Governance, Nomination and Remuneration Committee	21/38	7/9	14/29			11/15	11/19	2/4
Marianna Zakharova	Executive Director	38/38	9/9	29/29					
Alexandra Zakharova	Non-executive Director	6/38	3/9	3/29			4/15		0/4
Alexey Ivanov	Independent Director / Chairman of the Audit Committee	21/38	7/9	14/29			11/15		
Stanislav Luchitsky	Independent Director / Chairman of the Sustainable Development and Climate Change Committee	38/38	9/9	29/29	4/4			2/19	3/4
Evgeny Shvarts	Independent Director	38/38	9/9	29/29				8/19	4/4
Egor Sheibak	Non-executive Director	21/38	7/9	14/29		2/3		11/19	
Before the Extraordinary General Meeting of Shareholders on 24 November 2022									
Vsevolod Rozanov (from 3 June 2022 to 24 November 2022)	Non-executive Director	13/38	3/9	10/29		1/3	7/15	9/19	2/4
Maxim Poletaev	Non-executive Director / Chairman of the Strategy Committee	30/38	6/9	24/29	2/4	2/3			
Before the Annual General Meeting of Shareholders on 3 June 2022									
Gareth Penny	Independent Director / Chairman of the Board of Directors / Chairman of the Sustainable Development and Climate Change Committee	5/38	0/9	5/29					1/4
Sergey Barbashev	Non-executive Director	17/38	3/9	14/29		1/3		4/19	
Sergey Bratukhin	Non-executive Director	17/38	3/9	14/29	1/4	1/3	4/15	8/19	1/4
Roger Munnings	Independent Director / Chairman of the Audit Committee	5/38	0/9	5/29			1/15		1/4
Vyacheslav Solomin	Non-executive Director	17/38	3/9	14/29			4/15		
Robert Edwards	Independent Director / Chairman of the Corporate Governance, Nomination and Remuneration Committee	5/38	0/9	5/29			1/15	4/19	1/4

¹ The attendance by Board members is represented as X/Y, where X is the number of meetings attended by the director, and Y is the total number of meetings held.



PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

The procedure for evaluating the performance of the Company's Board of Directors is regulated by the Performance Evaluation Policy for the Board of Directors approved by resolution of the Company's Board of Directors. The Policy provides for internal evaluation by surveying the Board members as well as external evaluation involving professional independent consultants.

In line with the recommendations of the Corporate Governance Code, corporate governance best practice and the Performance Evaluation Policy for the Board of Directors, in 2022, the performance evaluation of the Company's Board of Directors for 2021 was carried out by an external organisation, IDA Academy.

Detailed questionnaires were sent out to participants to evaluate the performance of the Board and its committees, along with the directors' individual contributions. The results were supplemented by comments and feedback from certain chairmen given during one-on-one interviews. Following these activities, IDA Academy prepared a preliminary evaluation report submitted to the members of the Corporate Governance, Nomination and Remuneration Committee and the Corporate Secretary and reviewed by the Company's Board of Directors.

During the reporting year, the Board of Directors' efforts focused on the areas for improvement identified by the external evaluation as well as on consolidating the progress made in priority areas.

Following the lifting of COVID restrictions, the Board of Directors and top managers resumed the practice of reviewing matters related to the Company's business and strategic priorities at in-person meetings, including informal ones. In September 2022, to keep up to date with local developments and progress on ESG adoption, the Company's top managers and Board members visited production sites in Norilsk. The visit involved, among other things, the discussion of charity matters.

To reflect stakeholders' views and interests in the decision-making process, the Corporate Governance, Nomination and Remuneration Committee continued interacting with the Company's management during 2022 when resolving on changes in the composition of the Company's Management Board and discussing approaches to developing individual KPIs for top 10's.

KPI improvement was an important topic discussed in 2022 at meetings of the Corporate Governance, Nomination and Remuneration Committee, the Audit Committee, and the Sustainable Development and Climate Change Committee. The Sustainable Development and Climate Change Committee approved the Company's KPI system (including environmental and health and safety metrics). Members of the Audit Committee also regularly reviewed health and safety reports and made recommendations to improve the effectiveness of relevant efforts.

In 2022, the Strategy Committee reviewed matters related to the long-term investment programme aimed at the Company's development, future production programme and the implementation status of several projects (development concept for the Company's design services, IT Programme, and exploration strategy).

In line with global best standards, in early 2023, the Company summarised the Board of Directors' performance in 2022 through continued Board of Directors' self-evaluation, thus ensuring the continuous development and improvement of Nornickel's corporate governance.

The internal performance evaluation of the Board of Directors in 2022 was carried out by the Corporate Governance, Nomination and Remuneration Committee in line with the resolution of the Board of Directors dated 7 February 2023.

Evaluation of the Board of Directors' performance in 2022 showed that:

- the current composition of the Board of Directors is well-balanced in terms of directors' qualifications, experience and business skills. The qualitative and quantitative composition of the Board of Directors matches the scale and profile of the Company's business, its business objectives and risk profile, and meets the Company's current and anticipated needs and shareholder interests;
- the composition of the Board committees is aligned with the Company's goals and objectives; there is no need to set up additional Board committees;
- the Chairman of the Board of Directors organises the Board of Directors' activities in the most efficient way, ensures its communication with other bodies of the Company and facilitates the best performance of assigned duties.

At its meeting on 28 April 2023, the Board of Directors reviewed the Report on the Internal Performance Evaluation of the Board of Directors and the recommendations of the Corporate Governance, Nomination and Remuneration Committee, and acknowledged that in 2022 the Board of Directors, the Board Chairman and the Board committees discharged their duties effectively.

The Corporate Governance, Nomination and Remuneration Committee used the self-evaluation results to identify areas for improvement and make recommendations concerning the Board of Directors' respective functions that require performance improvement measures.

The Board of Directors will continue incorporating the recommendations of the Corporate Governance, Nomination and Remuneration Committee in its work in 2023.

BIOGRAPHICAL DETAILS OF BOARD MEMBERS AS OF 31 DECEMBER 2022¹

For more detailed biographies of the Board members, please see the [Company's website](#), and for biographies of the members who stepped down after the Annual General Meeting of Shareholders, please see the [2021 Annual Report](#).

In the reporting year, Board members made no transactions with MMC Norilsk Nickel shares, with only Elena Bezdenezhnykh (0.00115%) and Egor Sheibak (0.00003%) holding shares in the Company.



Andrey Bougrov

Non-executive Director, Chairman of the Board of Directors since 2022

Born in: 1952

Nationality: Russian Federation

Education

Degree in International Economic Relations, Economist for Foreign Trade, PhD in Economics, Moscow State Institute of International Relations (MGIMO University)

Experience in the last five years

since 2002: positions at Nornickel: member of the Board of Directors (2002–2020), Chairman of the Board of Directors (2010–2013, 2022 to date), Deputy Chairman of the Board of Directors (2013–2020), Senior Vice President (2016–2020), Senior Vice President for Sustainable Development (2020–2022), member of the Management Board (2013–2022);

since 2006: member of the management board of the RSPP;

since 2013: vice president of the RSPP;

since 2015: member of the National Council on Corporate Governance non-profit partnership;

since 2016: chairman of the Share Issuers Committee of Moscow Exchange;

since 2018: chairman of the RSPP Council on Non-financial Reporting;

since 2020: member of the RSPP Climate Policy and Carbon Regulation Committee;

since 2021: member of the RSPP Coordination Council on Sustainable Development, member of the International Advisory Panel of the Asian Infrastructure Investment Bank (AIIB);

since 2022: member of the working group on ESG agenda and energy transition under the Russian Government Expert Council;

since 2022: member of the Expert Council on Sustainability and Green Finance under the Subcommittee on Sustainability and Green Finance of the State Duma Committee on the Financial Market at the Federal Assembly of the Russian Federation

¹ Positions are indicated as at 2022-end.



Sergey Batekhin

Non-executive Director since 2020

Chairman of the Budget Committee, member of the Corporate Governance, Nomination and Remuneration Committee, member of the Strategy Committee of the Board of Directors

Born in: 1965

Nationality: Russian Federation

Education

Degree in Military and Political Translation, Foreign Languages (German and French), Assistant Translator/Interpreter, Red Banner Military Institute of the Ministry of Defence of the USSR, 1987

Degree in Finance and Credit, Economist, Plekhanov Russian Academy of Economics, 1998

Master of Business Administration, Moscow International Higher School of Business MIRBIS, 1998

Postdoctoral degree in Philosophy, International Information Technology Academy, 2002

Speaks French, German, English, and Italian

Experience in the last five years

since 2020: chairman of the supervisory board of the Digital Capital

2019–2022: member of the board of directors of Jokerit Hockey Club Oy

since 2019: chairman of the presidium of the Night Hockey League non-profit amateur hockey foundation

since 2018: member of the board of directors of LLC Kontinental Hockey League

2013–2020: positions at Nornickel: member of the Management Board (2013–2020), Vice President (2015–2016), Senior Vice President – Head of Sales, Commerce and Logistics (2016–2018), Senior Vice President – Head of Sales, Procurement and Innovation (2018–2020)



Denis Alexandrov

Independent Director since 2022

Member of the Strategy Committee, member of the Audit Committee, member of the Sustainable Development and Climate Change Committee of the Board of Directors

Born in: 1974

Nationality: Russian Federation

Education

Degree in International Economic Relations and Management, Far Eastern State University, 1996

Bachelor of Science in Business and Management, University of Maryland, 1995

Experience in the last five years

2016–2020: CEO of Russdragmet (Highland Gold Mining Limited Group)

since 2020: CEO of the public gold mining company Petropavlovsk PLC (POG)

since 2020: general director, LLC Atlas Mining

since 2021: member of the board of directors of Pokrovskiy Mine, a Petropavlovsk Group company

since 2021: member of the board of directors of PHM Engineering, a Petropavlovsk Group company

since 2022: member of the board of directors of Petropavlovsk-Avia, a Petropavlovsk Group company

since 2022: member of the Council of the Union of Gold Producers of Russia



Alexey Bashkirov

Non-executive Director since 2013

Member of the Audit Committee, member of the Strategy Committee of the Board of Directors

Born in: 1977

Nationality: Russian Federation

Education

Degree in International Economic Relations, Moscow State Institute of International Relations (MGIMO University)

Experience in the last five years

since 2015: managing director at Winter Capital Advisors



Elena Bezdenezhnykh

Non-executive Director since 2022

Chairwoman of the Strategy Committee of the Board of Directors

Born in: 1973

Nationality: Russian Federation

Education

Degree in Law, Lawyer, Krasnoyarsk State University, 1996

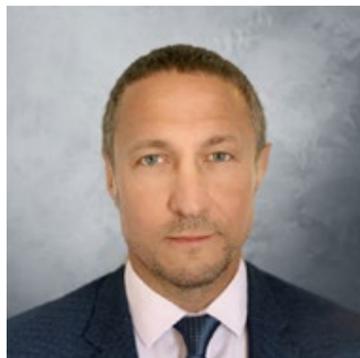
Experience in the last five years

2015–2018: Vice President, State Secretary and Head of Government Relations at MMC Norilsk Nickel

2018–2019: vice president for regional policy and government relations at RUSAL Global Management B.V.'s branch

since 2019: vice president for regional policy and government relations at RUSAL Management

since 2022: member of the board of directors at Yenisei Siberia Development Corporation



Sergey Volk

Independent Director since 2019

Chairman of the Corporate Governance, Nomination and Remuneration Committee, member of the Budget Committee and member of the Audit Committee of the Board of Directors

Born in: 1969

Nationality: Ukraine

Education

Master of Business Administration (majoring in Finance), University of Texas at Austin (USA), 1998

Experience in the last five years

2019-2022: member of the board of directors of Fortenova grupa d.d. (Zagreb, Croatia)

2018-2022: member of the supervisory board of Mercator d.d. (Ljubljana, Slovenia)



Marianna Zakharova

Executive Director since 2010, member of the Management Board since 2016

Born in: 1976

Nationality: Russian Federation

Education

Bachelor in Law, 1998; Master in Law (with distinction), 2000, Peoples' Friendship University of Russia

Experience in the last five years

since 2015: First Vice President – Head of Corporate Governance, Asset Management and Legal Affairs at MMC Norilsk Nickel



Stanislav Luchitsky

Independent Director since 2021

Chairman of the Sustainable Development and Climate Change Committee, member of the Strategy Committee, member of the Corporate Governance, Nomination and Remuneration Committee of the Board of Directors

Born in: 1976

Nationality: Russian Federation

Education

Degree in Non-ferrous Metallurgy, Metallurgical Engineer, Norilsk Industrial Institute, 1999

Experience in the last five years

since 2021: deputy CEO – head of geology, technology and engineering, member of the management board of STANMIX HOLDING LIMITED

since 2021: deputy CEO – head of geology, technology and engineering, member of the management board of Russdragmet

2020–2021: deputy CEO – project director at Ozernaya Mining Company

2018–2019: CEO of Arctic Palladium

2014–2018: Head of the Chita PMO at MMC Norilsk Nickel



Alexey Germanovich

Independent Director since 2022

Deputy Chairman of the Corporate Governance, Nomination and Remuneration Committee, member of the Audit Committee, member of the Sustainable Development and Climate Change Committee of the Board of Directors

Born in: 1977

Nationality: Russian Federation

Education

Degree in Economics, Manager, Lomonosov Moscow State University, 1998

Degree in Journalism, Lomonosov Moscow State University, 2002

Executive MBA, Cranfield University, UK, 2009

Experience in the last five years

since 2008: member of the management board of the St Petersburg University Endowment Fund

2014–2019: member of the board of directors of E.ON Russia (Unipro since 23 June 2016)

2016–2018: member of the board of directors of Aeroflot

2016–2018: member of the board of directors of Ameriabank, Armenia

2018–2019: member of the board of directors of Komercijalna Banka a.d. Beograd, Serbia



Alexandra Zakharova

Non-executive Director since 2022

Member of the Audit Committee, member of the Budget Committee, member of the Sustainable Development and Climate Change Committee of the Board of Directors

Born in: 1973

Nationality: Russian Federation

Education

Degree in Economics and Labour Sociology, Economist, Plekhanov Russian Academy of Economics, 1996

Experience in the last five years

since 2020: function director at JSC Russian Aluminium Management

2013–January 2023: Head of project of the Financial Control Service of MMC Norilsk Nickel



Alexey Ivanov

Independent Director since 2022

Chairman of the Audit Committee of the Board of Directors

Born in: 1969

Nationality: Russian Federation

Education

Department of Economic Cybernetics, Faculty of Economics, 1991; postgraduate degree, Department of International Economic Relations, Leningrad State University, 1993

Institute of Chartered Accountants in England and Wales (ACA qualification), 1997

Experience in the last five years

since 2021: CEO of Green Energy

since 2020: CEO of Axioma

2010–2020: key account management partner (2016–2020), head of audit services (2013–2016), head of private company services (2010–2013) at PricewaterhouseCoopers, Moscow



Evgeny Shvarts

Independent Director since 2019

Member of the Sustainable Development and Climate Change Committee of the Board of Directors

Born in: 1958

Nationality: Russian Federation

Education

Degree in Zoology and Botany, Biologist, Lomonosov Moscow State University, 1982

Candidate of Geographical Sciences (Biogeography and Soil Geography), Institute of Geography, Academy of Sciences of the Soviet Union, 1987

Doctor of Geographical Sciences (Geocology), Institute of Geography, Russian Academy of Sciences, 2003

Experience in the last five years

since 2021: professor at the Faculty of Geography and Geoinformation Technology, National Research University – Higher School of Economics; head of the Centre for Responsible Environmental Management at the Institute of Geography, Russian Academy of Sciences

since 2020: leading researcher at the Department of Physical Geography and Environmental Management Problems of the Institute of Geography, Russian Academy of Sciences

since 2020: member of the board of directors of UC RUSAL, IPJSC

2007–2019: director for conservation policy at WWF

since 1993: member of the board of the Biodiversity Conservation Centre charitable foundation



Egor Sheibak

Non-executive Director since 2022

Member of the Corporate Governance, Nomination and Remuneration Committee, member of the Budget Committee of the Board of Directors

Born in: 1986

Nationality: Russian Federation

Education

Degree in Public Administration, Manager, Lomonosov Moscow State University, 2008

Experience in the last five years

since 2022: deputy chairman of the Committee on Competition Development of RSPP

2013–January 2023: Head of project of the Financial Control Service of MMC Norilsk Nickel

BOARD COMMITTEES

Committees established by Nornickel's Board of Directors are responsible for conducting a preliminary review of critical matters related to the Company's activities and making recommendations for decision making on matters reserved for the Board. To discharge their responsibilities in an effective way, the committees may consult

Nornickel's governance bodies and seek opinions from independent external advisors.

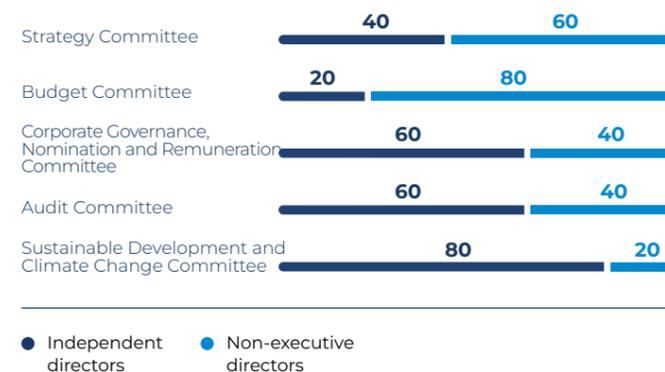
From the beginning of the reporting year, the Board of Directors had five committees, each consisting of five members:

- Strategy Committee;
- Budget Committee;

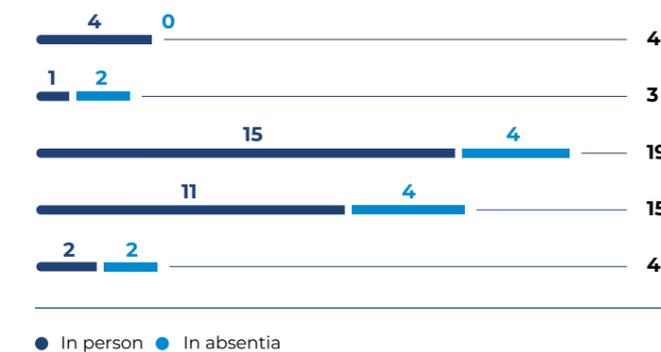
- Corporate Governance, Nomination and Remuneration Committee;
- Audit Committee;
- Sustainable Development and Climate Change Committee.

Members of all committees are appointed by the Board of Directors.

Status of Board committee directors (%)



Number of Board committee meetings in 2022



STRATEGY COMMITTEE

Committee members at 2022-end

Elena Bezdenezhnykh
Chairwoman

Denis Alexandrov
Independent Director

Alexey Bashkirov

Sergey Batekhin

Stanislav Luchitsky
Independent Director

The Strategy Committee is made up of five directors, two of whom are independent (i.e. the Committee is 40% independent). In 2022, the Committee held four meetings in person.

The Strategy Committee assists the Board of Directors by previewing matters related to:

- building a sustainability strategy
- investment planning and structural changes
- engagement with capital markets.

The Strategy Committee's key areas of focus:

- Supporting Nornickel's Board of Directors in developing, overseeing and adjusting the corporate strategy
- Recommending updates to the strategy.

During the reporting year, the Strategy Committee made recommendations to the Board of Directors and reviewed progress and status updates on Nornickel's major investment projects, including Bystrinsky GOK and the Sulphur Project, as well as the Company's contribution to the implementation of the Comprehensive Plan for the Social and Economic Development of Norilsk to 2035 (including renovation of Norilsk's

housing stock). The Committee also discussed reports on the Company's operational performance, Progress Report on the IT Programme and Progress Report on Implementing the Company's Energy Sector Development Strategy. The Committee also reviewed progress updates on the Transport Logistics Strategy, sales performance for 2022–2023 and the project to update the marketing strategy, as well as assessed changes in the competitive environment and the Company's repair service development concept.



BUDGET COMMITTEE

Committee members at 2022-end

Sergey Batekhin
Chairman

Alexey Bashkirov

Sergey Volk
Independent Director

Nornickel's current Budget Committee is made up of five directors, one of whom is independent (i.e. the Committee is 20% independent).

In 2022, the Committee held three meetings, including two in absentia.

In 2022, the Budget Committee focused on making recommendations to the Board of Directors to inform decision making on the amount of the Company's 2021 full-year dividend and the dividend record date to be proposed by the Board of Directors, as well as reviewed metal

Alexandra Zakharova

Egor Sheibak

price and FX forecast updates to support the Company's 2023 budgeting. The Budget Committee also approved and recommended that the Board of Directors approve Nornickel's 2023 budget.

CORPORATE GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE

Committee members at 2022-end

Sergey Volk
Chairman,
Independent Director

Alexey Germanovich
Deputy Chairman,
Independent Director

Sergey Batekhin

The Committee is made up of five directors, three of whom are independent, including the Committee Chairman (i.e. the Committee is 60% independent).

In 2022, the Committee held 19 meetings, including 15 in absentia and 4 in person.

The Corporate Governance, Nomination and Remuneration Committee supports the Board of Directors by:

- evaluating, overseeing and improving Nornickel's corporate governance framework
- ensuring succession planning for Nornickel's Board of Directors and Management Board
- providing incentives, evaluating the performance of Nornickel's Board of Directors, Management Board, President, and Corporate Secretary, and setting relevant remuneration policies
- supervising the development and implementation of Nornickel's information policy.

The Committee made recommendations to the Board of Directors to inform decision making on convening, preparing and holding the Annual and Extraordinary General Meetings of Shareholders, and on matters reserved to the General Meeting of Shareholders (remuneration and reimbursement of expenses of members of the Board of Directors and the Audit Commission, and liability insurance and indemnity for members of the Board of Directors and the Management Board).

The Corporate Governance, Nomination and Remuneration Committee advised the Board of Directors on evaluation of the Board of Directors' performance in 2021, on changes to the Company's Management Board and on the approval of a number of the Company's internal documents. The Committee approved the Company's set of key performance indicators (KPIs) for HSE performance and team KPIs of the Norilsk Nickel Group for 2023. The Committee reviewed the Report on the

Consistent Efforts to Improve Employee Engagement at the Company. It also reviewed performance against the 2021 KPI scorecards for the Company's top 10's and top 100's, as well as the Management Board labour relations and motivation system, updates on the Company's charitable policy, sponsorship efforts and other social programmes, the Human Capital Development Programme, and the Company's training system development strategy for 2022–2025. The Committee discussed approaches to developing individual KPIs for 2022 for top 10's. The Committee also reviewed the annual evaluation of the Board of Directors' performance in 2021, which concluded that the Board of Directors and the Corporate Secretary of Nornickel were effective, and assessed the independence of nominees to the Company's Board of Directors.

AUDIT COMMITTEE

Committee members at 2022-end

Alexey Ivanov
Chairman,
Independent Director

Denis Alexandrov

Alexey Germanovich
Independent Director

Sergey Volk
Independent Director

Alexandra Zakharova

The Audit Committee is made up of five directors, three of whom are independent directors, including the Committee Chairman (i.e. the Committee is 60% independent). On average, Committee members have more than 10 years of experience in finance.

In 2022, the Committee held 15 meetings, including 11 in person and 4 in absentia.

The Committee discharges its responsibilities by overseeing:

- financial reporting
- risk management and internal controls
- external and internal audit
- prevention of wrongdoing by Nornickel employees and third parties
- health and safety matters.

The Audit Committee plays an important role in enabling controls and accountability, and has become an effective interface between the Board of Directors, Audit Commission, independent auditor, Internal Audit Department, and management of Nornickel.

During 2022, the Audit Committee prepared for the Board of Directors a number of recommendations for decision making on matters related to the accuracy, completeness and reliability of Nornickel's financial statements, as well as health and safety, and the approval of PJSC MMC NORILSK NICKEL's Internal Control Policy and PJSC MMC NORILSK NICKEL's Internal Audit Policy. The Committee also reviewed the results of audits by the Internal Audit Department and Internal Control Department and

discussed the 2021 Sustainability Report. The Committee reviewed reports by the Risk Management Service on the Company's key risks and reports by the Inspection Department for Monitoring Technical, Production and Environmental Risks, as well as the Corporate Risk Appetite Statement for 2022.

In 2022, the Audit Committee of the Board of Directors:

- reviewed the annual audit plan and internal audit development plans
- reviewed bonus-related performance targets (KPI scorecards) of the Internal Audit Department Director
- discussed the results of completed audits, including gaps identified and remedial actions designed by management to improve internal controls and minimise risks.





SUSTAINABLE DEVELOPMENT AND CLIMATE CHANGE COMMITTEE

Committee members at 2022-end

Stanislav Luchitsky
Chairman,
Independent Director

Denis Alexandrov
Independent Director

Alexey Germanovich
Independent Director

Alexandra Zakharova

Evgeny Shvarts
Independent Director

The Committee is made up of five directors, four of whom are independent, including the Committee Chairman (i.e. the Committee is 80% independent). In accordance with its Terms of Reference, the Committee has five members, with an option to increase its membership should the Board of Directors decide to do so.

In 2022, the Committee held four meetings, including two in person and two in absentia.

The Sustainable Development and Climate Change Committee's key functions:

- Integrating sustainability principles, including climate change, into the Company's activities
- Developing and implementing the Sustainable Development and Climate Change Strategy
- Managing risks and internal controls related to sustainable development and climate change

- Preparing the Company's internal reports and disclosures on sustainable development and climate change
- Overseeing the external audit of the Company's reports and activities related to sustainable development and climate change.

In the reporting year, the Committee members discussed a report by Nornickel's management on the Company's sustainability performance, including environmental protection and climate change monitoring, international certification of the Company's activities, compliance with international standards on business conduct, as well as social and corporate governance matters. Particular attention was paid to environmental remediation after the diesel fuel spill, carbon-neutral nickel production, as well as the integration of the International Council of Mining and Metals (ICMM) standards and the Initiative for Responsible Mining Assurance

(IRMA) requirements into the Company's operations. The Committee meeting also discussed in detail matters related to supporting indigenous peoples of the Far North and studying the impacts of climate warming on permafrost.

Following the discussion, the Committee deemed it appropriate to publish information about Nornickel's sustainability/ESG performance and future plans on the Company's website on a regular basis. Members of the Board of Directors and Company management recognised environmental and industrial safety matters as their special focus areas and highlighted the need for sustainable results in transforming Nornickel's industrial safety culture.

EXECUTIVE BODIES

The President and the Management Board are Nornickel's executive bodies in charge of day-to-day operations. They ensure:

- implementation of resolutions passed by the Board of Directors and the General Meeting of Shareholders
- implementation of Nornickel's key plans and programmes
- continuous operation of an effective risk management and internal control system (RMICS).

PRESIDENT

The President is Nornickel's sole executive body in charge of day-to-day operations. The President is elected by the General Meeting of Shareholders for an indefinite term and acts as Chairman of the Management Board.

The President reports to the Board of Directors and the General Meeting of Shareholders. Since 2015, this position has been held by Vladimir Potanin (Nornickel's CEO in 2012–2015).

MANAGEMENT BOARD

The Management Board is a collective executive body in charge of Nornickel's day-to-day operations within its scope of authority as set out in the Articles of Association; it ensures the implementation of resolutions passed by the General Meeting of Shareholders and the Board of Directors.

Members of the Management Board are elected by the Board of Directors for an indefinite term. The Board of Directors may at any time terminate the office and contract of any member of the Management Board.

The Management Board had 10 members at the start of 2022, according to the composition approved by the Board of Directors on 28 October 2021.

The composition of the Company's Management Board changed twice during the reporting year:

- On 14 April 2022, the Board of Directors resolved to elect Anton Berlin to the Company's Management Board

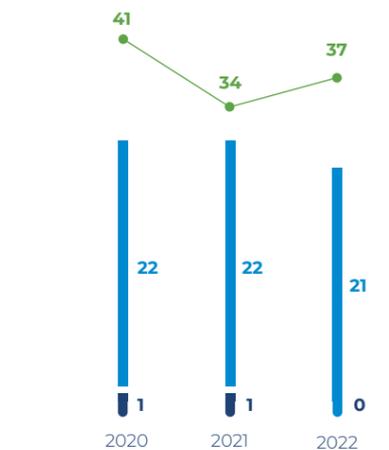
effective 14 April 2022 and to establish an 11-member Management Board as from 14 April 2022

- On 1 June 2022, the Board of Directors resolved to terminate the office of Andrey Bougrov, member of the Company's Management Board, and to establish a 10-member Management Board as from 2 June 2022.

In 2022, the Management Board held 21 meetings (all in absentia).

During 2022, the Management Board decided to change the composition of the Energy and Trans-Baikal Divisions; passed resolutions regarding the Company's branch directors and amendments to their employment contracts; reviewed the Company's capital-raising, guarantee and surety transactions; approved the scope of internal control system self-evaluation for 2022; and reviewed matters related to the progress of the Environmental and Climate Change Strategy.

Number of Management Board meetings



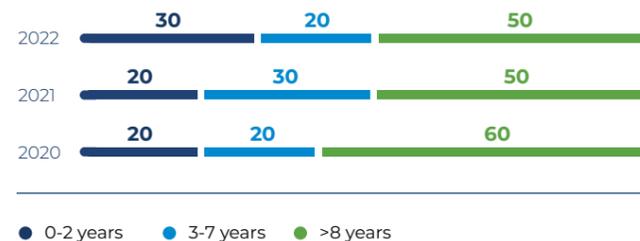
- In person
- In absentia
- Number of matters reviewed



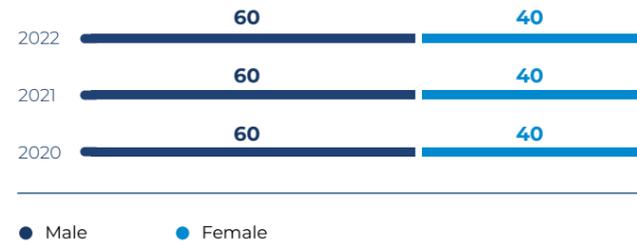
Attendance at meetings in 2022

Name	Tenure on the Management Board (years)	Meetings attended / total number of meetings
Vladimir Potanin	10	21/21
Andrey Bougrov ¹ (until 1 June 2022)	10	6/21
Anton Berlin ² (from 14 April 2022)	1	19/21
Sergey Stepanov	2	21/21
Evgeny Fyodorov	2	21/21
Sergey Dubovitsky	5	21/21
Marianna Zakharova	7	21/21
Larisa Zelkova	10	21/21
Elena Savitskaya	9	21/21
Sergey Malyshev	10	21/21
Nina Platinina	10	21/21

Tenure on the Management Board (%)



Management Board composition by gender (%)



BIOGRAPHICAL DETAILS OF MEMBERS OF THE MANAGEMENT BOARD ¹

For more detailed biographies of members of the Management Board, please see the [website](#). Biographical details of previous members of the Management Board are available in the [2021 Annual Report](#).

In the reporting year, Sergey Stepanov and Anton Berlin held shares in MMC Norilsk Nickel (0.002% of the authorised capital each).



Vladimir Potanin

Chairman of the Management Board since 2012

President of the Company since 2015 (CEO in 2012–2015)

Born in: 1961

Nationality: Russian Federation

Education

Degree in International Economics, Moscow State Institute of International Relations (MGIMO University)

Experience in the last five years

since 2022: member of the management board of the Russian Ice Hockey Federation

since 2021: member of the board of trustees of the Football Union of Russia

2020–2022: chairman of the board of trustees of the Vladimir Potanin Foundation

since 2020: member of the board of trustees of the ROZA Club for Sport Development and Support

since 2018: member of the board of trustees of the Russian–American Council for Business Cooperation trade association; member of the board of trustees of the Fund for the Conservation and Development of the Solovetsky Archipelago

since 2017: chairman of the supervisory board of the Norilsk Development Agency autonomous non-profit organisation

since 2016: member of the board of the Endowment Fund for Education and Culture, chairman of the board of trustees of the Night Hockey League non-profit amateur hockey foundation

2014–2019: chairman of the board of trustees of the ROZA Club for Sport Development and Support

since 2011: member of the board of trustees of the State Hermitage Museum Endowment Fund non-profit organisation; member of the board of trustees of the Moscow Church Construction Foundation

since 2010: member of the board of trustees of the Russian Geographical Society all-Russian non-governmental organisation

since 2009: deputy chairman of the board of trustees of the Russian International Olympic University

since 2007: member of the board of trustees of Saint Petersburg State University, deputy chairman of the board of trustees of the MGIMO University Endowment Fund

since 2006: deputy chairman of the board of trustees of the MGIMO University Endowment Fund, member of the board of trustees and member of the management board of the Graduate School of Management at Saint Petersburg State University, member of the bureau of the board of the Russian Union of Industrialists and Entrepreneurs (RSPP)

since 2005: member of the board of trustees, member of the board of the Russian Olympians Foundation non-profit charitable organisation

since 2004: chairman, member of the presidium of the National Council on Corporate Governance non-profit partnership

since 2003: chairman of the board of trustees of the State Hermitage Museum

2001–2022: member of the board of trustees of the Solomon R. Guggenheim Foundation (New York)

since 2000: member of the bureau of the board, member of the management board of the RSPP

since 1995: member of the presidium of the International Foundation for the Unity of Orthodox Christian Nations

¹ Left the Management Board on 1 June 2022 as per the Board of Directors' resolution.
² Joined the Management Board on 14 April 2022 as per the Board of Directors' resolution.

¹ Positions are indicated as at 2022-end.



Anton Berlin

Member of the Management Board
since 2022

Born in: 1973

Nationality: Russian Federation

Education

Faculty of Radio Electronic Equipment, Systems Engineer – Administrator of Production, 1996; postgraduate degree, 1999, MATI – Russian State Technological University named after K. E. Tsiolkovsky

Experience in the last five years

since 2008: positions at Nornickel: Director of the Marketing Department (2008-2019), Vice President – Head of Sales and Commerce (since 2019)



Sergey Dubovitsky

Member of the Management Board
since 2018

Born in: 1978

Nationality: Russian Federation

Education

Public Relations Specialist with Foreign Language Skills, Moscow State Institute of International Relations (MGIMO University)

Experience in the last five years

since 2021: member of the boards of directors of MPI Nickel Pty Ltd, Norilsk Nickel Africa Pty Ltd and Norilsk Nickel Mauritius, member of the Executive Committee of Nkomati

since 2013: positions at Nornickel: Director of the Strategic Planning Department (2013–2016), Vice President for Strategic Planning (2016–2019), member of the Management Board (since 2018), Vice President – Head of Strategy and Strategic Projects (2019–2020), Senior Vice President – Head of Strategy and Strategic Projects, Logistics and Procurement (since 2020)



Larisa Zelkova

Member of the Management Board
since 2013

Senior Vice President – Head of HR,
Social Policy and Public Relations
since 2016

Born in: 1969

Nationality: Russian Federation

Education

Journalist, Literature Editor at a Newspaper, Lomonosov Moscow State University, 1991

Experience in the last five years

since 2020: chairwoman of the management boards of the Second School centre for community initiatives in the Pechenegsky District and the Monchegorsk Development Agency

since 2019: member of the councils of the endowment funds for the replenishment of the Tretyakov Gallery's collection and development of its small museums at the State Tretyakov Gallery Foundation

since 2017: chairwoman of the management board and member of the supervisory board of the Norilsk Development Agency autonomous non-profit organisation

since 2016: chairwoman of the board of trustees of the Endowment Fund for Education and Culture

2015-2020: member of the board of trustees of the Russian Academy of Education

2015-2022: member of the board of trustees of the Hermitage Foundation UK

since 2014: chairwoman of the board of the Vladimir Potanin Foundation

2011–2020: member of the board of directors of Rosa Khutor Ski Resort Development Company

since 2011: chairwoman of the management board of the State Hermitage Museum Endowment Fund

since 2013: positions at Nornickel: member of the Board of Directors (2011-2013), Deputy CEO of Social Policy and Public Relations (2013-2015), Vice President – Head of HR, Social Policy and Public Relations (2015-2016), Senior Vice President – Head of HR, Social Policy and Public Relations (since 2016)

since 2009: member of the board of trustees of the Pavlovsk Gymnasium private autonomous non-profit organisation

since 2007: member of the presidium of the MGIMO University Endowment Fund



Education

Bachelor in Law, 1998; Master in Law (with distinction), 2000, Peoples' Friendship University of Russia

Experience in the last five years

since 2015: First Vice President – Head of Corporate Governance, Asset Management and Legal Affairs of Nornickel

Marianna Zakharova

Member of the Management Board since 2016

Member of the Board of Directors since 2010

Born in: 1976

Nationality: Russian Federation



Education

Degree in Chemical Machine and Fixture Building, Mechanical Engineer, Moscow Chemical Machine Building Institute; postgraduate degree in Economics and Production Management, Bauman Moscow State Technical University

Experience in the last five years

since 2013: positions at Nornickel: Director of the Internal Control Department (2013–2015), Vice President – Head of Internal Audit (2015–2016), Vice President – Head of Internal Control and Risk Management (since 2016)

Nina Plastinina

Member of the Management Board since 2013

Born in: 1961

Nationality: Russian Federation



Education

Degree in Machines and Devices for the Textile and Light Industries, Mechanical Engineer, Kosygin State University of Russia

Degree in Public and Municipal Administration, Economist, Institute of Advanced Training at the Russian Presidential Academy of National Economy and Public Administration

Finance Academy under the Government of the Russian Federation, Public and Municipal Administration retraining programme, with the State Attestation Commission certifying the right (compliance with qualification requirements) to carry out professional activities related to public and municipal administration

Experience in the last five years

since 2013: positions at Nornickel: Deputy CEO – Head of Economics and Finance (2013–2015), Vice President – Head of Economics and Finance (2015–2016), Senior Vice President – Chief Financial Officer (since 2016)

Sergey Malyshev

Member of the Management Board since 2013

Born in: 1969

Nationality: Russian Federation



Education

Degree in Psychology, Psychologist, Psychology Teacher, Moscow Pedagogical State University

Experience in the last five years

since 2013: positions at Nornickel: Chief of Staff (2013-2015), Vice President – Chief of Staff (since 2015)

Elena Savitskaya

Member of the Management Board since 2014

Born in: 1972

Nationality: Russian Federation



Sergey Stepanov

Member of the Management Board since 2021

Born in: 1977

Nationality: Russian Federation

Education

Lomonosov Moscow State University: 1998: Bachelor in Economics (with distinction)

2000: Master in Economics (with distinction)

Experience in the last five years

since 2022: member of the board of directors of Polar Lithium

2020–2021: CEO of VSMPO-AVISMA Corporation

2014–2020: CEO of Raspadskaya

2012–2020: vice president, head of Evraz's Coal Division

since 2021: Senior Vice President – Operational Director of Nornickel

CORPORATE SECRETARY

The role of the Corporate Secretary is to ensure compliance with the procedures for the protection of shareholder rights and legitimate interests, as prescribed by applicable laws and Nornickel's

internal documents, and to monitor such compliance. According to the Company's Articles of Association, the Corporate Secretary is appointed by the Board of Directors for a three-year term. The Board

of Directors may terminate the office of the Corporate Secretary before the end of the term.

The Corporate Secretary's key functions:

- Involvement in preparing and holding the General Meeting of Shareholders;
- Preparing and holding meetings of the Board of Directors and its committees;
- Contributing to the improvement of Nornickel's corporate governance framework and practice;
- Managing the activities of the Secretariat;
- Other functions in accordance with Nornickel's internal documents.

The Corporate Secretary reports administratively to the President and is accountable to the Board of Directors.

At present, Pavel Platov is Nornickel's Corporate Secretary. In December 2021, the Board of Directors extended Pavel Platov's term as Corporate Secretary by another three years.



Evgeny Fyodorov

Member of the Management Board since 2021

Born in: 1978

Nationality: Russian Federation

Education

Degree in Economics and Enterprise Management, Economist/Manager, Bauman Moscow State Technical University, 2001

PhD in Economics, Moscow Power Engineering Institute (Technical University), 2003

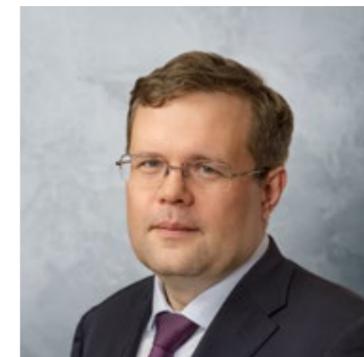
Experience in the last five years

2018–2020: member of the board of directors, Advisor to the CEO of TRUST SM

since 2018: member of the board of directors of Unitile Holding

since 2017: member of the board of directors, Advisor to the CEO of Rosvodokanal Management Company

since 2021: Vice President for Energy of Nornickel



Education

Linguistics University of Nizhny Novgorod

Academy of National Economy under the Government of the Russian Federation

Experience in the last five years

since 2017: Corporate Secretary of MMC Norilsk Nickel (2011–2017: Company Secretary)

Pavel Platov

Corporate Secretary since 2011

Born in: 1975

Nationality: Russian Federation

In the reporting year, he held no shares in MMC Norilsk Nickel and made no transactions with them.



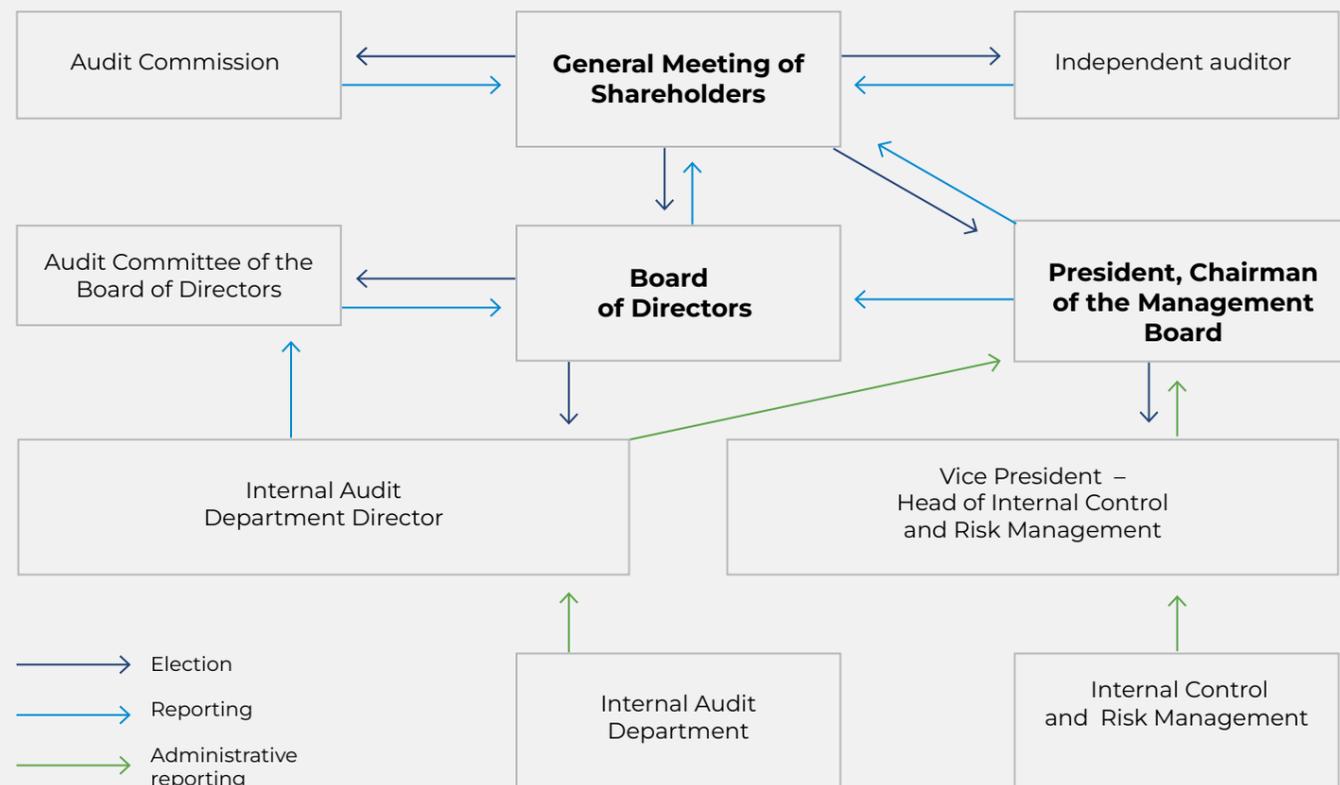
CONTROL SYSTEM

The Company has in place an internal control system covering key business processes and all management levels across the Group. The internal control system integrated into the Company's corporate governance processes is geared towards achieving the goals related to accurate financial reporting and operational efficiency as well as compliance goals.

The system comprises the following control bodies:

-  Audit Commission
-  Audit Committee of the Board of Directors
-  Internal Audit Department
-  Internal Control and Risk Management, comprising the Internal Control Department, Financial Control Service, Risk Management Service, and the Centre for Monitoring Technical, Production and Environmental Risks

Internal control structure as of 31 December 2022



AUDIT COMMISSION

The Audit Commission is Nornickel's standing internal control body that monitors its financial and business operations. The five members of the Audit Commission are elected annually at the Annual General Meeting of Shareholders.

Audit Commission's performance

In 2022, the Audit Commission audited Nornickel's business operations for 2021, with the auditors' report presented to the shareholders as part of materials for the Annual General Meeting of Shareholders. Results of the audit of the Company's

business operations for 2022 will be reported to the Annual General Meeting of Shareholders in 2023.

The Annual General Meeting of Shareholders on 3 June 2022 elected the Audit Commission as follows: Alexey Dzybalov, Anna Masalova, Georgy Svanidze, Eduard Gornin, Elena Yanevich.

INTERNAL AUDIT

The Company has set up the Internal Audit Department to assist the Board of Directors and executive bodies in better managing the Company and improving its financial and business operations through a systematic and consistent approach to the analysis and evaluation of risk management and internal controls as tools providing reasonable assurance that Nornickel will achieve its goals.

The Internal Audit Department conducts objective and independent audits to assess the effectiveness of the internal control system and risk management system. Based on the audits, the Department prepares reports and proposals for management on improving internal controls, and monitors the development of remedial action plans.

In order to ensure independence and objectivity, the Internal Audit Department functionally reports to the Board of Directors through the Audit Committee and has an administrative reporting line to Nornickel's President. MMC Norilsk Nickel has in place an Internal Audit Policy approved by the Company's Board of Directors in 2022.

In 2022, the Audit Committee:

- reviewed the annual audit plan and internal audit development plans
- reviewed bonus-related performance targets (KPI scorecards) of the Internal Audit Department Director
- discussed the results of completed audits, including gaps identified and corrective actions designed by management to improve internal controls and minimise risks
- reviewed the results of internal audit self-assessment.

The Audit Committee commended the work of the Internal Audit Department in the reporting period.

In 2022, the Internal Audit Department audited the following areas:

- H&S and environmental risk management
- Progress on the Company's major investment projects
- Corporate governance processes
- Control over IT assets and IT projects

During some audits, the Department made use of data analysis tools to process significant data volumes and present them graphically. For some business areas, the Department uses the continuous auditing method.

The Internal Audit Department performed an annual performance evaluation of Nornickel's corporate risk management system (CRMS) and internal control system (ICS) for 2022 and concluded that the Company's CRMS and ICS as a whole operate effectively, but there were some comments. The evaluation results were reviewed at an Audit Committee meeting and a meeting of the Company's Board of Directors.

Based on the recommendations issued during the audits, management developed corrective actions and implemented a total of 270 such actions over 2022. The actions included updating regulatory documents, developing new or amending existing control procedures, communicating them to employees, training employees, and identifying and assessing risks. The Internal Audit Department uses SAP AM, an automated internal audit solution, to continuously monitor the implementation of initiatives developed by management, with the resulting insights on types and number of initiatives regularly reviewed by the Audit Committee.



INTERNAL CONTROL

The Internal Control Department regularly monitors the Company's high-risk business processes – procurement and investment activities, capital construction and corporate insurance transactions, as well as the reliability of the existing systems of accounting for metal-bearing products. The Company also continuously monitors compliance with regulatory requirements to combat the unlawful use of insider information and market manipulation, as well as money laundering, terrorist financing and proliferation financing.

The performance and maturity of internal control system elements are evaluated annually as part of an external financial statement audit and internal control system self-evaluation. Reports containing the internal control system evaluation results are reviewed by Nornickel's management and the Audit Committee of the Board of Directors.

In May 2022, Nornickel rolled out an automated risk management and internal control system based on an SAP GRC solution. The system maintains data on

the Company's internal control system, runs procedures to assess its effectiveness and generates reports.

The Financial Control Service audits financial and business operations of Nornickel and its subsidiaries to make updates and recommendations for the President and members of the Board of Directors. The Head of the Financial Control Service is appointed by resolution of the Board of Directors.

CORPORATE TRUST LINE

Nornickel runs the Corporate Trust Line speak-up programme established to respond promptly to reports of non-compliance, wrongdoing or embezzlement, violation of employees' rights, and breach of ethical standards or rules of conduct by employees. Employees, shareholders and other stakeholders can report any actual or potential actions that cause or may cause financial or reputational damage to Nornickel. All reports submitted via the line are registered, assigned a unique number and investigated. The key principles

underlying the operation of the Corporate Trust Line include data privacy and guaranteed anonymity for whistleblowers who wish to remain anonymous, as well as timely and unbiased review of all reports. Nornickel will in no circumstances retaliate against an employee who raises a concern via the Corporate Trust Line, meaning that no disciplinary action or sanction will be taken (dismissal, demotion, forfeiture of bonuses, etc.). If pressure on a whistleblower is reported, the Company conducts mandatory investigations of such reports and thoroughly reviews their findings. Whistleblower status is regularly monitored at all levels to identify cases of undue pressure.

Reporting channels (24/7):

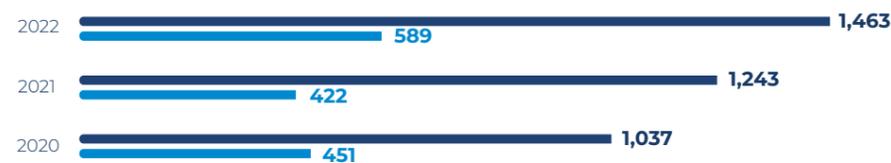
Phone: 8 800 700 1941, 8 800 700 1945

Email: skd@nornik.ru

Reporting form on Nornickel's website: [Corporate Trust Line – Nornickel \(nornickel.ru\)](https://nornickel.ru/corporate-trust-line)

Over the past three years, the Corporate Trust Line has not received any reports classified as corrupt practices. For more details on report statistics, please see the Sustainability Report.

Report statistics



- Total number of reports
- Total number of reports that triggered investigation

ANTI-CORRUPTION

The Company is annually included in the Anti-corruption Ranking of Russian Business compiled by the Russian Union of Industrialists and Entrepreneurs. Independent experts assess the anti-corruption management system against the criteria of the international standard ISO 37001:2016 and the provisions of the Anti-corruption Charter. Following a comprehensive independent evaluation carried out for the Anti-corruption Ranking of Russian Business 2022, Nornickel received the top rating, A1, reflecting the particular attention paid by the Company's management to corruption prevention, as well as the effective implementation of relevant measures.

Rating A1
Nornickel received the top rating following a comprehensive independent evaluation

Nornickel complies with anti-corruption laws of the Russian Federation and other countries in which it operates, as well as with any applicable international laws and Nornickel's internal documents. Nornickel

openly declares its zero tolerance for corruption in any form or manifestation. Members of Nornickel's Board of Directors / Management Board and senior management role model a zero-tolerance

approach to corruption in any form or manifestation at all levels across the organisation.

Facilitation payments and political contributions are strictly prohibited by Nornickel's policy.

Nornickel will not tolerate any retaliation, disciplinary or other action against an employee who reports a concern about suspected bribery or corruption, or refuses to offer a bribe, facilitate bribery, including commercial bribery, or take part in any other corrupt activities.

In line with legal requirements and its voluntary commitments, Nornickel actively implements and improves anti-corruption measures. The Company has established uniform requirements for giving and receiving business gifts applicable to all employees, which are set forth in the Regulations on Business Gifts, with record keeping and tracking in place for entertainment expenses. Regular anti-corruption due diligence of internal documents ensures that they present no potential for corruption.

We perform annual assessment and quarterly monitoring of corruption risks.

Every two years, Nornickel submits to the Russian Union of Industrialists and Entrepreneurs a Declaration of Compliance

with the Anti-corruption Charter of the Russian Business to confirm its compliance with anti-corruption requirements.

Nornickel annually publishes statistics on recorded corruption incidents in its Sustainability Report, demonstrating its commitment to openness and transparency to stakeholders.

When recruited, all Company employees familiarise themselves with anti-corruption documents, sign an agreement setting out their anti-corruption responsibilities and take an anti-corruption induction briefing.

Nornickel regularly trains its employees and involves them in implementing anti-corruption programmes. All Company employees take an annual online anti-corruption training course, while all HR

Department employees take a course on compliance with anti-corruption laws. As of the end of 2022, 100% of employees were trained to be familiar with the Group's anti-corruption policies and methods. Over the year, the training on statutory requirements and provisions of corporate anti-corruption regulations covered 31 people.

Timely identification and prevention of conflicts of interest are also key to our anti-corruption efforts. The Company has in place an approved standard reporting form to be filled by candidates applying for vacant positions at Nornickel and individuals signing an independent contractor agreement with the Company. The Company set up standing conflict of interest commissions across the organisation to enhance the effectiveness



of preventing, identifying and resolving conflicts of interest, as well as to ensure legal compliance and improve corporate culture.

Nornickel maintains the dedicated [Anti-corruption](#) section on its website, providing information on its anti-corruption regulations and measures taken to combat and prevent corruption, offer legal education, and promote lawful behaviours among employees.

In order to mitigate potential risks associated with contractor engagement, Nornickel evaluates business standing, integrity and solvency of its potential counterparties. To prevent procurement misconduct and maximise value capture through unbiased selection of best proposals, Nornickel's procurement owner, customer and secretary of a collective procurement body adhere to the following rules:

- Procurement relies on the principle of division of roles;
- Commercial proposals submitted by suppliers are compared using objective and measurable criteria approved prior to sending a relevant request for proposal;
- The selection results and the winning bidder in the material procurement process are approved by the collective

procurement body comprised of representatives from various functions of Nornickel;

- A Master Agreement containing an anti-corruption clause is signed with each supplier or updated on an annual basis. The anti-corruption clause outlines the course of action to be taken between the supplier and Nornickel with respect to risks of abuse. Moreover, by signing the Master Agreement, suppliers acknowledge that they have read the Company's Anti-Corruption Policy.

In 2022, to develop and improve its anti-corruption compliance system, the Company:

- approved a unified approach to adopting anti-corruption regulations and controls throughout the Group
- delivered training in the basics of anti-corruption compliance to Group employees responsible for implementing anti-corruption measures
- revised and updated its anti-corruption procedural documents.

The Company is also reviewing its approach to assessing corruption risks related to contractor engagement.

aligned with the principles of fair and responsible business conduct, as well as with the Company's commitment to improving its corporate culture and ensuring compliance with corporate governance best practice and high ethical standards.

Measures to protect production, transport and energy sector facilities against terrorism and to prevent unlawful interference in their operations are implemented on a scheduled basis.

ANTITRUST COMPLIANCE

An antitrust compliance system in place at the Company since 2017 establishes the processes for the timely prevention, identification and elimination of causes and conditions facilitating antitrust violations and ensures compliance of the Company and its corporate entities with applicable laws.

Federal Law No. 135-FZ On Protection of Competition dated 26 July 2006 was amended in 2020 to set requirements for internal antitrust compliance regulations of organisations and establish the right of organisations to submit these regulations to the Federal Antimonopoly Service and obtain its opinion upon confirmation of compliance. The Company was the first in Russia to use the new statutory procedure to obtain a confirmation of the Federal Antimonopoly Service that its antitrust compliance system meets legal requirements, issued on 25 March 2021.

In 2022, the Federal Antimonopoly Service and/or its territorial bodies did not find any antitrust violations by the Company or by Group enterprises; and no administrative action was taken against Group enterprises for such violations.

In 2022, Nornickel conducted a total of 706 trainings, 46 general and 12 tactical and special drills.

The Company collaborates with external contractors to ensure the safety of its facilities, making sure that contractor activities respect human rights, including those of employees of private security organisations. Respect for human rights is incorporated in the regulations of the Corporate Security Unit.

INFORMATION SECURITY

In 2022, the Company's information security strategy was adapted and adjusted as many foreign IT and information security companies withdrew from Russia and new legal requirements were introduced during the year.

In the reporting year, Nornickel established a subsidiary, Nornickel Sfera, to ensure information security across the Group. The company has extensive technical competencies across core information and process security areas and offers a full range of key services to Group enterprises. Going forward, Nornickel Sfera will expand the coverage and range of its services.

Nornickel has developed an import substitution plan covering information security solutions and took extra steps to protect its enterprises' technological infrastructure and mitigate risks.

With some employees still working remotely, the Company is taking extra precautions to ensure the information security of its corporate resources and infrastructure. These include more stringent security requirements for remote computers and devices used in audio and video conferencing; remote work is monitored on a daily basis, with users guides and instructions updated as necessary. The Company has expanded the scope of systems security inspections and audits for compliance with information security requirements to timely identify and eliminate vulnerabilities that can be exploited by attackers.

PROGRAMMES

The Company has in place relevant information security processes, including:

- identification and classification of data assets;
- raising awareness;
- managing access to data assets;
- security analysis;
- risk management;
- information security incident management;
- review of projects' information technology and automated process control systems (APCSs) for compliance with information security requirements.

In 2022, as part of an ongoing process of identifying and classifying data assets, the Company identified key business applications and is actively implementing plans to align them with corporate information security standards by embedding the required solutions and information security tools.

In view of new sanctions risks and the growing number of cyber threats to the technological IT infrastructure, Nornickel has developed approaches to, and plans for, implementing a suite of projects to create systems protecting the Company's technological and operating processes. The Company's priorities have shifted towards establishing a basic level of infrastructure security across its key enterprises and complying with the Russian President's core executive orders on import substitution. The Company maintains

a strong focus on complying with information protection requirements in APCS development and upgrade projects.

Nornickel has taken measures to ensure the provision of information protection tools, reviewed the procedure for updating system and application software, and ensured control over the updates.

In line with the plan, the Company has finished rolling out process protection equipment across its key production sites as well as at the gas facility transporting energy resources to the Norilsk Industrial District so as to improve process safety compared to 2020 and 2021.

Industrial automation systems across all production sites have been audited for compliance with internal information security standards, which enables the Company to develop effective plans and take measures to improve information security over the next two years.

IMPORT SUBSTITUTION

Since many foreign suppliers of information security solutions have left the Russian market, as well as to comply with new legal requirements, Nornickel has joined the import substitution process as regards information and communication technologies, including industrial automation systems. The Company selects, tests and rolls out Russian technology solutions in close contact with its industry peers.

CORPORATE SECURITY

Nornickel's corporate security system management is based on a set of programmes to ensure economic, corporate and information security.

In March 2022, the Board of Directors approved the Corporate Fraud Policy. It underlies the consistent measures implemented to prevent, identify and combat abuses and manifestations of corporate fraud, as well as signs of corruption. The policy requirements are



CYBER INCIDENT RESPONSE SYSTEM

The Company's Information Security Incident Response Centre uses advanced technical solutions as well as Russian and global best practices in managing cyber defence. Seamless information security processes and procedures have been developed and documented to ensure business continuity in the event of incidents and emergencies. These procedures are tested for relevance at least once a quarter.

To prevent confidential information leaks, the Company has introduced special safeguards to detect unauthorised data retrieval through primary channels, including via email and file exchange platforms. If unauthorised attempts to retrieve confidential information are identified, an internal inspection and investigation procedure is initiated in accordance with the Company's current regulations.

SUSPICIOUS ACTIVITY REPORTING PROCESS

If users detect suspicious content or activities, the Information Security Incident Response Centre is notified accordingly via a corporate communication channel. The Centre assesses the potential disruptive impact on the Company's IT systems and ensures the planning and implementation of measures to prevent and respond to incidents.

The Information Security Incident Response Centre operates across the Company's key regions of operation. Over the year, the Centre's employees processed over 1 thousand incidents, handling over 20 thousand information security events in total.

In 2022, the number of cyber attacks on Russian companies increased significantly. Additional comprehensive efforts were made to mitigate risks, including proactive measures to protect the Company's IT infrastructure.

The Response Centre has always closely cooperated with similar units of private companies and regulators. The Company has maintained its effective partnership with the National Coordination Centre for Computer Incidents, with a relevant cooperation agreement already in its second year.

TRAINING AND COMMUNICATION

The Company is strongly focused on improving employee awareness about information security principles and digital hygiene.

New hires are introduced to corporate information security requirements and have an additional induction briefing. A total of almost 7 thousand new employees were introduced to information security requirements in 2022, and about 5 thousand had additional induction briefings on information security. Annual employee trainings also take account of current trends and newly identified risks and cyber threats. In 2022, 67 scheduled and three unscheduled e-learning courses were delivered, with almost 13.5 thousand Group employees trained in total.

Furthermore, the Company runs regular drills including simulations of phishing attacks and other fraudulent practices that affect users. Following the drills, instructions for employees are updated.

In addition, the Company uses regular dedicated newsletters to improve employee awareness about current information security threats and digital hygiene.

An information security bulletin is prepared for the Company's management on a quarterly basis, detailing measures to protect critical information infrastructure, project activities, cyber risks, anti-phishing efforts, as well as major information security incidents and trends.

CERTIFICATION

In line with international best practices, Nornickel enterprises have in place information security management systems (ISMSs) compliant with ISO/IEC 27001:2022 requirements. In 2022, four of Nornickel's enterprises had the high effectiveness of their information security management processes confirmed:

- Murmansk Transport Division
- Nadezhda Metallurgical Plant (Norilsk Division)
- Copper Plant (Norilsk Division)
- Talnakh Concentrator (Norilsk Division)

Despite the fast-paced external changes, Nornickel's team has succeeded in maintaining continuous compliance with international standards. The certificates obtained are an international information security standard driving a consistent and structured approach and helping identify and mitigate relevant risks. The successful completion of the certification process testifies to the high level of maturity of Nornickel's information security systems and approaches.

The preparedness of the Company's enterprises to respond to new threats and challenges has been praised by an

external auditor, who has also confirmed that previously identified issues have been addressed. Employees involved in the operation of the ISMS showed excellent knowledge of information security, and the Company as a whole demonstrated that it can control risks and is prepared for unexpected changes when achieving its goals relating to the security of production processes.

Nornickel's efforts to develop and implement advanced cyber security solutions for industrial assets have been repeatedly acknowledged by the professional community and industry associations.

MANAGEMENT INVOLVEMENT IN INFORMATION SECURITY

Nornickel's Information Security Policy applies to all employees and includes the engagement boundaries and responsibilities of the Board of Directors and the Management Board in this regard. Their responsibilities include, among other things, reviewing information security risks and budgets for relevant programmes and projects. Risks are monitored on a regular basis through dedicated committees and corporate reporting.

INDEPENDENT AUDIT

An independent auditor for Nornickel's financial statements is selected through competitive bidding in accordance with the Company's established procedure. The Audit Committee of the Board of

PARTNERSHIPS AND BEST PRACTICE SHARING

At the national level, the Information Security in Industry Club, an industry association founded by Nornickel in 2017, has been successfully operating for five years now. Information security managers of major Russian industrial holding companies are involved in its activities. Over the years, the Information Security in Industry Club has become a recognised platform for discussing ongoing security issues dealing with the use of information and communication technologies, and for sharing experience and best practices in protecting industrial information systems.

In international information security, Nornickel cooperates with the Security Council of the Russian Federation and the Ministry of Foreign Affairs of the Russian Federation, contributing to the development and discussion of position papers in this area. The Company also participates in the National Association for International Information Security and cooperates with the International Information Security Research Consortium.

The development and international promotion of precious metal supply chain security is an important aspect

Directors reviews the shortlist and makes a recommendation to the Board of Directors on the proposed auditor to be approved by the Annual General Meeting of Shareholders of MMC Norilsk Nickel.

of the Company's engagement with its business partners: Nornickel participates in dialogues on this issue on international platforms, including the Security Committee of the International Platinum Group Metals Association. In September 2022, Nornickel also ran a session on cybersecurity at a meeting of the above committee in South Africa held in person for the first time after a long break, where the Company shared its experience of creating a distributed information security management system and highlighted key approaches to maintaining the continuity of IT-driven production processes.

For more details on the information security risk, please see the Key Risks in 2022 section of [this Annual Report](#).

PERSONAL DATA PROTECTION

The Company has developed, implemented and put in practice a set of organisational and technical measures to protect the personal data of different types of owners (including the protection of third parties' personal data) and ensure compliance with Russian laws. Technical protection involves anti-virus protection, leak prevention, monitoring of removable devices, and analysis of security incidents.

In 2022, the General Meeting of Shareholders approved Kept as the auditor for RAS and IFRS financial statements for 2022 on the recommendation of the Board of Directors.



REMUNERATION

The Board of Directors directly supervises the remuneration framework at Nornickel. The Corporate Governance, Nomination and Remuneration Committee of the Board of Directors is responsible for:

- developing the Remuneration Policy for Members of the Board of Directors, Members of the Management Board and the President of Nornickel;
- overseeing the implementation and execution of the Policy;
- reviewing the Policy on a regular basis.

Nornickel does not issue loans to members of the Board of Directors and the Management Board but encourages them to invest in Nornickel shares.

Remuneration paid to members of Nornickel's governance bodies in 2022 totalled RUB 4.8 billion (USD 69.7 million).¹

DIRECTORS' REMUNERATION

The Board of Directors' annual remuneration is set out in the Remuneration Policy. By resolution of the General Meeting of Shareholders, members of the Board of Directors are remunerated for their service on the Board of Directors and reimbursed for expenses incurred by them in performing their duties as Board members. Additional benefits for all Board members include liability insurance and reimbursement of losses incurred in connection with their service on the Board of Directors. The Bank of Russia's Corporate Governance Code recommends that companies pay for their directors' liability insurance to be able to recover potential losses through the insurer. Apart from securing stronger commitment from directors, this insurance coverage encourages competent leaders to join the Board.

Remuneration of the Chairman of the Board of Directors

Remuneration of the Chairman of the Board of Directors differs from the remuneration payable to other non-executive directors, due to the Chairman's enhanced scope of expertise and responsibilities. Subject to a resolution of the General Meeting of Shareholders, the Chairman of the Board of Directors may be entitled to additional remuneration and benefits other than those set out in the Policy. Under the Policy, the annual base remuneration of the Chairman of the Board of Directors is USD 1 million. The Chairman of the Board of Directors is not entitled to any additional remuneration for serving on Board committees.

Remuneration of non-executive directors

All non-executive directors receive equal remuneration. The Policy sets forth the following annual remuneration for non-executive directors:

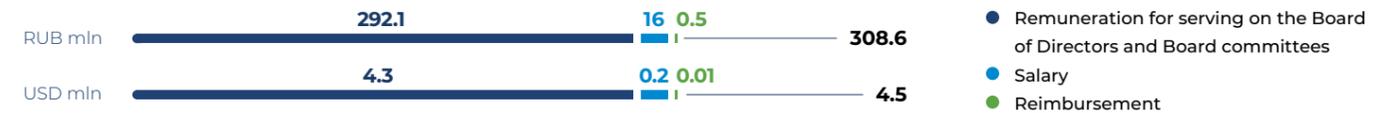
- Base remuneration of USD 120 thousand for Board membership;
- Additional remuneration of USD 50 thousand for serving on a Board committee;
- Additional remuneration of USD 150 thousand for chairing a Board committee.

Non-executive directors are not eligible for any forms of short-term or long-term cash incentives, or non-cash remuneration, including shares (or share-based payments), share options (option agreements) or other non-cash rewards or benefits.

Remuneration of executive directors

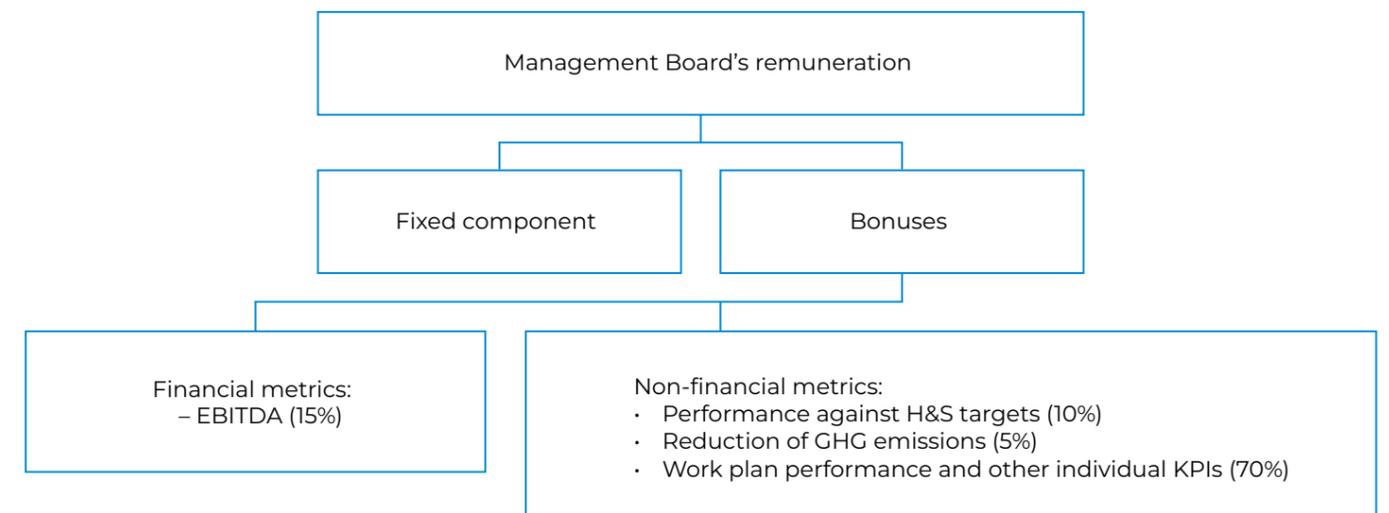
In line with the approved Policy, executive directors do not receive any additional remuneration for their service on the Board of Directors to avoid any potential conflict of interest.

Directors' remuneration in 2022



MANAGEMENT BOARD'S REMUNERATION

Management Board's remuneration



Key performance indicators (KPIs) used to assess senior management's performance are aligned with Nornickel's strategic goals. In line with Nornickel's Articles of Association, the remuneration and reimbursement payable to the President and members of the Management Board are determined by the Board of Directors.

Remuneration payable to senior management is comprised of basic salary and bonuses. Bonuses are linked

to Nornickel's performance, including both financial (EBITDA) and non-financial metrics (work-related injury rate, GHG reduction and work plan). The variable component of the remuneration payable to members of the Management Board reflects KPIs, which are annually updated by the Corporate Governance, Nomination and Remuneration Committee of the Board of Directors. The Board of Directors decides whether to pay the President a performance bonus for the reporting year.

In 2022, the GHG Reduction metric was included in senior management's KPIs with a 5% weight (among all KPIs) and a quantitative target.

¹ The amount of remuneration paid does not include the remuneration accrued but not yet paid as of 31 December 2022, as well as insurance premiums and voluntary health insurance (VHI) contributions. Adding the amounts above, remuneration of members of Nornickel's governance bodies for 2022 as per the 2022 IFRS statements totalled RUB 5.5 billion (USD 80 million).



Management Board's remuneration in 2022



- Remuneration for serving on a governance body
- Salary
- Bonuses
- Other

AUDIT COMMISSION'S REMUNERATION

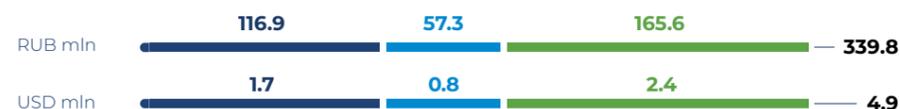
The Annual General Meeting of Shareholders held on 3 June 2022 set total remuneration at RUB 1.8 million per year (before taxes) for each member of Nornickel's Audit Commission who is not an employee of the Company. The above remuneration level is similar to the remuneration rate set for members of the Audit Commission in 2021. Members

who are Nornickel employees are not paid remuneration for their work as part of the Audit Commission.

In 2022, the members of the Audit Commission received remuneration for their work in the body in the amount of RUB 7.2 million (USD 105 thousand). No bonuses or other rewards were paid.

AUDITOR'S FEE

Auditor's fee



- Audit
- Auxiliary audit services
- Other audit-related services

The fee paid to Kept for its audit, auxiliary audit services, as well as other audit-related services in 2022 totalled RUB 339.8 million (USD 4.9 million), net of VAT, with the share of other audit-related services accounting

for 49% of the total. To prevent conflict of interest, Kept has in place a specific policy covering different types of services they provide to auditees, which complies with the requirements of the International

Ethics Standards Board for Accountants (IESBA), the Russian Independence Rules for Auditors and Audit Firms, and other applicable standards.



RISK MANAGEMENT SYSTEM

RISK MANAGEMENT

The existing corporate risk management system is integrated into the Company's business processes and enables effective risk-based decisions at various organisational levels to achieve strategic and operational goals.

- Nornickel has set the following key risk management objectives:
- Increase the likelihood of achieving the Company's goals;
 - Improve resource allocation;

- Boost Nornickel's investment case and shareholder value.

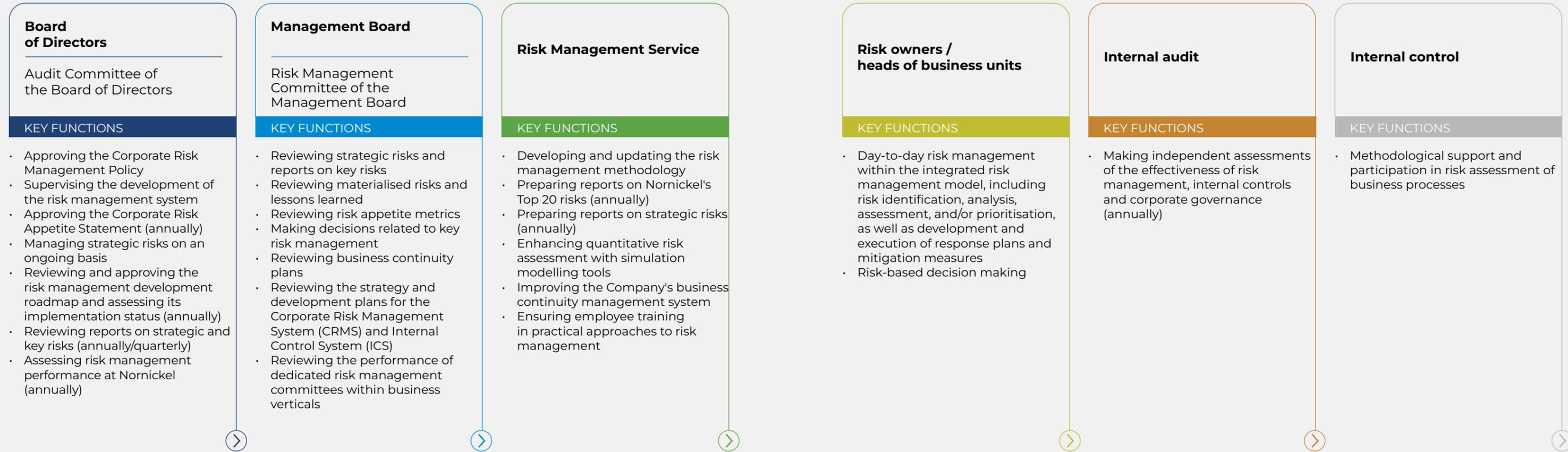
The risk management system is based on the principles and requirements set forth in Russian and international laws, as well as professional standards, including the Corporate Governance Code recommended by the Bank of Russia, GOST R ISO 31000-2019 Risk Management Principles and Guidelines, COSO Enterprise Risk Management – Integrating with Strategy and Performance, and

Recommendations for Public Joint Stock Companies to Organise Risk Management, Internal Controls, Internal Auditing, and the Work of Auditing Committees under Boards of Directors (Supervisory Boards) (Appendix to the Bank of Russia's Letter No. IN-06-28/143 dated 1 October 2020).

To manage production and infrastructure risks, Nornickel develops, approves, updates, and tests business continuity plans to maintain operations and take recovery steps in case of emergency.



Risk management system



In 2022, the Company completed the following projects to develop, improve and maintain the maturity of its risk management system:

- Rolled out of a GRC-class system across the Group to automate risk management processes;
- Ran an external follow-up review of key asset risks, including updates and verification;
- Maintained regular activities of dedicated risk management committees;
- Improved integration between risk management and budget planning processes through GRC-based automation tools;
- Ran a quantitative assessment of the cumulative impact of key risks on the Company's 2023 budget, as well as an

analysis of the budget sensitivity to key risks, with follow-up risk management measures included in the budget;

- Broke down the Company's risk appetite into lower organisational levels, with relevant metrics, including ESG metrics, monitored via risk management committees;
- Further improved quantitative assessment tools for operational risks;
- Organised comprehensive employee training across divisions in risk management and continuity management;
- Developed a professional competence model defining key roles within the risk management system;
- Ran regular quantitative assessments of investment project risks;

- Ran a self-assessment of the risk management system's maturity to identify areas for improvement;
- Launched a project to assess long-term climate-related risks in line with TCFD¹ requirements.

In line with risk management system improvement plans for 2023 and beyond, the following areas have been prioritised:

- Further automating risk management processes and system functionality;
- Introducing quantitative risk assessment in strategic and operational planning;
- Enhancing the methodology to analyse, assess and manage various categories and types of risks;
- Continuing the assessment of long-term climate-related risks in line with TCFD requirements.

KEY STRATEGIC RISKS

The Company's strategic risks were updated in 2022. Nornickel sees the following groups of risks as its key risks: lower demand for the Company's products, lower productivity and disruptions of operations, as well as the mismatch between Nornickel's financial position and its growing strategic development needs.

INSURANCE

Insurance is an essential tool used to manage risks while protecting the property interests of Nornickel and its shareholders against any unforeseen losses related to operations, including due to external effects.

Nornickel has centralised its insurance function to ensure the consistent implementation of its uniform insurance policy and standards. The Company annually approves a comprehensive programme that defines key parameters by insurance type, key business area and project. Nornickel has implemented a

corporate insurance programme that covers assets, equipment failures and business interruptions across the Group as well as enterprises in the core production chain, all on the same terms. The directors' and officers' liability, freight, construction and installation, vehicle, and other types of liability insurance programmes of the Company are also centralised and promote continuity.

Nornickel underwrites insurance contracts by major Russian insurers.

Nornickel applies industry best practice and leverages insurance market trends to negotiate the best insurance and insured risk management terms.

¹ Task Force on Climate-related Financial Disclosures.



CLIMATE RISKS

The Company's corporate risk management system takes into account climate risk factors. The Company reviews relevant risks on a quarterly basis.

Nornickel considers both physical risks associated with lasting climate changes and extreme weather, and transition risks arising from changes in the market, regulatory, technology, and political environment during the low-carbon transition.

Implementing a TCFD compliance roadmap helps embedding climate risk management approaches in the Company's business processes.

The analysis of physical risks relies on public scenarios of the Intergovernmental Panel on Climate Change (SSP 1-2.6, SSP 2-4.5, SSP 5-8.5) localised for all regions of the Company's operation. To analyse transition risks we rely on our own scenarios for global economy and climate change until 2050.

As part of permafrost thawing risk management, the Company further develops its building and structure monitoring system for continuous automated monitoring of permafrost foundation soil temperature and foundation deformations. The monitoring system is developed by the Buildings and Structures Monitoring Centre of the Norilsk Division, which is responsible for technical supervision and permafrost monitoring and serves as a centre of excellence in engineering geology.

Permafrost thawing (physical climate change risk)

Loss of bearing capacity by pile foundation beds may lead to deformation and collapse of buildings and structures.

Key risk factors

- Climate change, average annual temperature increases over the last 15 to 20 years
- Increased depth of seasonal permafrost thawing

Effect on Nornickel's development objective and strategy

- Efficient delivery of finished products (metals) in line with the production programme
- Social responsibility: comfort and safety of people living in Nornickel's regions of operation

Risk assessment

Effect on objectives: **medium**
 Source of risk: **external**
 Year-on-year change in risk: **stable**

Key mitigants

- To manage this risk, Nornickel:**
- performs regular monitoring of soil condition under the foundations of buildings and structures
 - performs geodetic monitoring of the movement of buildings
 - uses satellite technology to monitor Nornickel's assets and further analyse the data
 - regularly monitors the condition of Nornickel's buildings and structures and subsequently processes the results to check for potential risks of Earth surface displacements
 - regularly monitors the condition of Nornickel's buildings and structures by scaling the information and diagnostics system (in particular, by deploying automated observation points to monitor the key factors that affect the safe operation of buildings and structures)
 - monitors soil temperature in buildings' foundations
 - takes corrective and adaptive actions to ensure that buildings and structures are technically operational.

Lack of water resources (physical climate change risk)

Water shortages in storage reservoirs of Nornickel's hydropower facilities may result in failure to achieve required water pressures at HPP turbines, leading to lower power output and to drinking water shortages in Norilsk.

Key risk factors

Extreme weather events (droughts) caused by climate change

Effect on Nornickel's development objective and strategy

- Social responsibility: comfort and safety of people living in Nornickel's regions of operation
- Lower share of renewables in the Company's energy mix

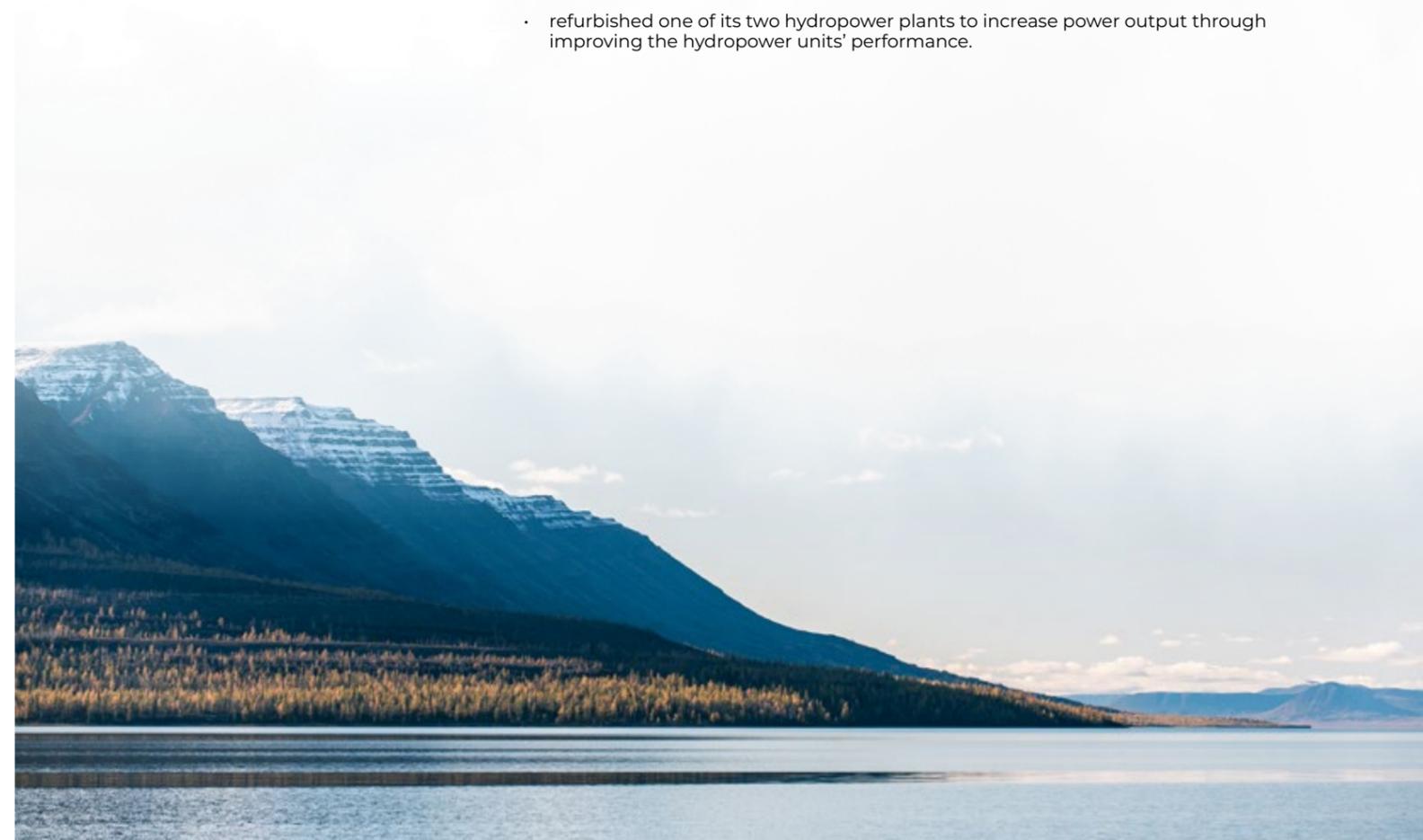
Risk assessment

Effect on objectives: **medium**
 Source of risk: **external**
 Year-on-year change in risk: **stable**

Key mitigants

To manage this risk, Nornickel:

- implements a closed water circuit to reduce water withdrawal from external sources
- carries out regular hydrological observations to forecast water levels in rivers and other water bodies
- cooperates with the Federal Service for Hydrometeorology and Environmental Monitoring (Rosgidromet) on setting up permanent hydrological and meteorological monitoring stations in order to improve the accuracy of water level forecasts for major rivers across Nornickel's regions of operation
- dredges the Norilskaya River and prepares its production facilities for reducing their energy consumption in case of risk occurrence
- refurbished one of its two hydropower plants to increase power output through improving the hydropower units' performance.





MAP OF NORNICHEL'S MATERIAL RISKS WITH YEAR-ON-YEAR CHANGES IN 2022

A high-level map of Nornickel's material risks leverages global best practices in risk management. The risk map ranks material risks by effect on the Group's objectives and by source.

Changes in risk status in 2022 reflect changes in the external environment. Over the year, the Company faced multiple external factors, which triggered a reassessment of impacts from external risk factors.

In 2022, Kola MMC lost equipment (a risk that had been identified earlier) after a fire started at the extraction facility of the nickel tankhouse's cobalt section.

Response measures included restoring the cobalt metal production chain and also preventing such incidents, including upgrades (repairs) of fire protection systems.

RISK MAP



Risk: effect of uncertainty on objectives (ISO/GOST R 31000).

Risk source: element which alone or in combination has the potential to give rise to risk (ISO/GOST R 31000). The assessment takes into account the predominance of external or internal factors.

The Effect on Nornickel's Objectives scale shows the relative impact of risks on the Company's goals.

RISK

- 1 Price risk
- ▲ 2 Market risk
- ▲ 3 Financial risks
- ▲ 4 Technical and production risk
- ▲ 5 Investment risks
- 6 H&S risks
- 7 Permafrost thawing
- 8 Compliance risk
- ▲ 9 Information security risks
- 10 Environmental risks
- 11 Lack of water resources
- 12 Social risk
- 13 Supply chain risks

Comparing with the previous year:

- ▲ Risk increased year-on-year
- Risk has not changed year-on-year
- ▼ Risk decreased year-on-year

KEY RISKS

Nornickel's risks are all inherent to its strategic and operational development and business continuity goals. Key risks have a varying degree of effect on Nornickel's objectives.

PRICE RISK

Potential decrease in sales revenues due to lower prices for Nornickel metals is subject to actual or potential changes in demand and supply in certain metals markets, global macroeconomic trends and the financial community's appetite for speculative/investment transactions in the commodity markets.

Key risk factors

- Lower demand for metals produced by Nornickel
- A slowdown in the global economy in general and in the economies consuming Nornickel metals in particular
- Supply and demand imbalance in metals markets

Effect on Nornickel's development objective and strategy

Enhancing Nornickel's leadership in the nickel and palladium markets

Risk assessment

Effect on objectives: **medium**
 Source of risk: **external**
 Year-on-year change in risk: **stable**

Key mitigants

Nornickel is consciously accepting the existing price risk for now. To manage this risk, Nornickel:

- continuously monitors and forecasts supply and demand dynamics for key metals;
- secures feedstock supplies for key consumers through long-term contracts to supply metals in fixed volumes;
- as a member of the Nickel Institute and the International Platinum Group Metals Association, works with other nickel and PGM producers to maintain and expand the demand for these metals.

Should the risk materialise, Nornickel will consider cutting capital expenditures (revising the investment programme for projects that do not have a material effect on Nornickel's development strategy) as part of the budgeting process.



Lower competitiveness of Nornickel products in the market may result in their lower liquidity, discounts to the market price and a decrease in Nornickel's income.

Key risk factors

- Foreign regulators imposing new foreign trade restrictions that impact the Company's activities
- Competition from producers of cheaper nickel
- More aggressive transport electrification programmes
- Replacement of metals produced by the Company with alternative materials
- Stricter market requirements on product quality and ESG compliance

Effect on Nornickel's development objective and strategy

Enhancing Nornickel's leadership in the nickel and palladium markets

Risk assessment

Effect on objectives: **high**
Source of risk: **mixed**
Year-on-year change in risk: **increased**

Key mitigants

To manage this risk, Nornickel:

- monitors and analyses changes in market demands for product quality and ESG compliance
- stimulates the demand for its key metals
- monitors evolution of vehicles by engine types
- searches for new applications and uses for palladium
- diversifies its metal product sales across industries and geographies
- improves and diversifies its product range
- cooperates with industry institutions to maintain access to relevant sales markets for its metals
- cooperates with Russian ministries and agencies to prevent/mitigate negative impacts of local or international regulation
- implements an ESG roadmap
- seeks partnership opportunities with key producers of cathodes for lithium-ion batteries
- maintains strategic partnerships with car makers based on guarantees of long-term palladium supplies.

FINANCIAL RISKS

This group includes FX, interest rate and liquidity risks, as well as other risks related to the financial security of the Company's operations and investments.

Key risk factors

- Increased debt financing costs
- Deteriorating market conditions
- Sharp rouble exchange rate fluctuations
- Inability to raise debt financing due to deterioration in financial markets
- Lack of access to key segments of global financial markets (debt and derivatives), limited access to the foreign currency debt market
- Unexpected major expenses
- Counterparty credit risk
- Restrictions imposed by foreign regulators that affect Nornickel's operations, its key business partners and infrastructure partners

Effect on Nornickel's development objective and strategy

- A debt portfolio with a well-balanced profile in terms of maturity, currency composition and sources of financing
- Maintaining a strong investment case

Risk assessment

Effect on objectives: **high**
Source of risk: **mixed**
Year-on-year change in risk: **increased**

Key mitigants

To manage this risk, Nornickel:

- maintains a balanced debt portfolio
- raises additional rouble-denominated debt to prevent a liquidity shortfall
- holds liquidity reserves on the Group's balance sheet to ensure payments on time
- monitors its account balances and existing cash gaps, as well as the availability of liquidity reserves on its balance sheet
- uses various hedging instruments
- regularly evaluates key potential risk events through scenario modelling and develops prevention and response plans
- constantly seeks new potential partners among borrowing and financial institutions, expanding and diversifying its financial infrastructure
- uses different financial models for various purposes, expands the array of financial risk assessment tools (stress testing and reverse stress testing of all financial risks and risk factors considering their combinations, interrelations and changes over time).



TECHNICAL AND PRODUCTION RISKS

Technical, production or natural phenomena which, once materialised, could have a negative impact on the implementation of the production programme and cause equipment breakdown or result in the need to compensate damage to third parties.

Key risk factors

- Harsh natural and climatic conditions, including low temperatures, storm winds and snow load
- Unscheduled stoppages of core equipment caused by fixed assets' wear and tear
- Release of explosive gases and flooding of mines
- Collapse of buildings or structures
- Infrastructure breakdowns

Effect on Nornickel's development objective and strategy

Effective delivery of finished products (metals) in line with the production programme

Risk assessment

Effect on objectives: **high**
Source of risk: **mixed**
Year-on-year change in risk: **increased**

Key mitigants

To manage this risk, Nornickel:

- ensures proper and safe operation of its assets in line with the requirements of technical documentation, as well as technical rules and regulations as prescribed by local laws across Nornickel's geographic footprint
- develops ranking criteria and criticality assessment for the Norilsk Nickel Group's key industrial assets
- implements an automated system for managing reliability, effectiveness and production asset risks
- ensures timely replacement of fixed assets to consistently achieve production safety targets
- continuously monitors the ongoing condition of Nornickel's buildings and structures via an information system for conducting geotechnical surveys
- uses satellite technology to monitor Nornickel's assets and further analyse the data
- implements automated systems to control equipment process flows, uses state-of-the-art engineering controls
- improves its maintenance and repair system
- trains and educates its employees both locally on site and centrally through its corporate training centres
- systematically identifies, assesses and monitors technical and production risks, implements a programme of organisational and technical measures to mitigate relevant risks
- continuously monitors the industrial asset management system
- ensures risk review by collective bodies at all management levels of the Company
- develops the technical and production risk management system, including by engaging independent experts to assess the system's performance and completeness of risk data
- develops and tests business continuity plans which set out a sequence of actions to be taken by Nornickel's personnel and internal contractors in case of technical and production risks causing maximum damage. These plans ensure that Nornickel resumes its production operations as soon as possible after any disruption
- engages, on an annual basis, independent surveyors to analyse Nornickel's exposure to disruptions in the production chain and make assessments of related risks.

INVESTMENT RISKS

Risk related to time and budget overruns, and performance targets of Nornickel's major investment projects.

Key risk factors

- Changes in forecasts of ore volumes, grades and properties resulting from follow-up exploration
- Changes in investment project timelines
- Further changes to budgets of investment projects
- Amendments to project performance targets in the course of implementation

Effect on Nornickel's development objective and strategy

- Strategic goal: growth driven by Tier 1 assets
- Developing the mining, concentration and metallurgical assets
- Developing the mineral resource base and upgrading core production processes at Nornickel's Tier 1 assets

Risk assessment

Effect on objectives: **high**
Source of risk: **mixed**
Year-on-year change in risk: **increased**

Key mitigants

To manage this risk, Nornickel:

- carries out proactive exploration and updates project performance targets and the mining plan (a long-term production plan) based on the progress of its major investment projects developing the mineral resource base
- conducts resource, geomechanical and hydrogeological modelling
- holds external expert audits of geological data
- develops an in-house geological and mining information system
- models mining options in geological and mining information systems
- as part of the project assurance process, conducts internal (cross-functional) audits of major investment projects at each stage in their life cycle
- improves incentives to drive project delivery and build skills and capabilities (including staff certification, identification of improvement areas and provision of tailored training)
- improves project delivery standards, develops project management tools
- promotes the use of pilot units across all technically challenging and unique processing stages
- redesigns projects and substitutes supply routes to source materials/services from friendly countries, taking into account sanctions
- supports the growth of NN Development as a dedicated corporate function with integrated responsibility for major construction projects
- implements a transformation programme for GiproNikel Institute to improve the quality and reduce the timelines of R&D, survey and engineering activities
- enhances project management competencies of project teams and ensures best practice sharing through its Project Forum held on a regular basis.



HEALTH AND SAFETY RISKS

Failure to comply with Nornickel's health and safety (H&S) rules may result in threats to health and life or temporary suspension of operations, or cause property damage.

Key risk factors

- Suboptimal methods of work organisation
- Disruptions in technological processes
- Exposure to hazards

Effect on Nornickel's development objective and strategy

Health and safety

Risk assessment

Effect on objectives: **high**
Source of risk: **internal**
Year-on-year change in risk: **stable**

Key mitigants

Pursuant to the Occupational Health and Safety Policy approved by the Board of Directors, Nornickel:

- continuously monitors compliance with H&S requirements
- improves the working conditions for its employees and contractors deployed at Nornickel's production facilities, including by implementing new technologies and labour-saving solutions, and enhancing industrial safety at production facilities
- provides employees with certified state-of-the-art personal protective equipment
- improves the system of stationary gas analysers, provides employees with portable gas analysers
- carries out preventive and therapeutic interventions and enforces hygiene protocols to reduce the potential impact of work-related hazards
- regularly trains, briefs employees on health and safety, assesses their health and safety performance and conducts corporate workshops, including by deploying special simulator units
- enhances methodological support for H&S functions, including through the development and implementation of corporate standards
- improves the risk assessment and management framework across Group enterprises as part of the Risk Control project
- reviews the competencies of line managers across Nornickel enterprises, develops H&S training programmes and arranges relevant trainings
- holds H&S competitions
- communicates the circumstances and causes of accidents to all Nornickel employees, conducts ad hoc safety briefings
- introduces frameworks to manage technical, technological, organisational, and HR changes.

COMPLIANCE RISKS

The risk of legal liability and/or legal sanctions, significant financial losses, suspension of production, revocation/suspension of a licence, loss of reputation, or other adverse effects arising from Nornickel's non-compliance with the applicable laws, regulations, instructions, rules, standards, or codes of conduct.

Key risk factors

- Discrepancies in rules and regulations
- Considerable powers and a high degree of discretion exercised by supervision agencies

Effect on Nornickel's development objective and strategy

Compliance by Nornickel and Russian entities of the Norilsk Nickel Group with the applicable laws, regulatory requirements, corporate standards, and business codes

Risk assessment

Effect on objectives: **medium**
Source of risk: **mixed**
Year-on-year change in risk: **stable**

Key mitigants

To manage this risk, Nornickel:

- ensures the development and update of procedural documents on anti-corruption and on combatting the unlawful use of insider information and market manipulation
- ensures its compliance with the applicable laws
- protects its interests during regulatory inspections and administrative proceedings
- uses trial and post-trial remedies to protect its interests
- ensures that agreements signed by Nornickel contain clauses safeguarding its interests
- implements conflict of interest management, anti-corruption, anti-money laundering, counter terrorist financing, and counter proliferation financing initiatives
- takes actions to prevent unlawful use of insider information and market manipulation
- ensures timely and reliable information disclosures as required by the applicable Russian and international laws
- has its employees take insider information management and anti-corruption training courses
- ensures that all employees receive anti-corruption induction briefing
- ensures that the Corporate Trust Line receives and handles reports of corruption, fraud, embezzlement, or other wrongdoing, either planned or committed
- ensures evaluation of anti-corruption controls at the Norilsk Nickel Group.



INFORMATION SECURITY RISKS

This group includes risks such as potential cybercrimes, an unauthorised transfer, modification or destruction of data assets, disruption or reduced efficiency of Nornickel's IT services, business, technological, and production processes.

Key risk factors

- Growing external threats
- Unfair competition
- Rapid development of Nornickel's IT infrastructure and automation of technological and business processes
- Unlawful acts by employees and/or third parties
- Shift to work from home and hiring remote employees outside Nornickel's regions of operation

Effect on Nornickel's development objective and strategy

Mitigation of the information security risk and risk of cyberattacks on Nornickel's information systems and automated process control systems

Risk assessment

Effect on objectives: **medium**
Source of risk: **mixed**
Year-on-year change in risk: **increased**

Key mitigants

To manage this risk, Nornickel:

- ensures compliance with applicable Russian laws and regulations with respect to the protection of personal data, insider information, trade secrets, and critical information infrastructure
- implements MMC Norilsk Nickel's Information Security Policy
- categorises data assets and makes information security risk assessments
- embeds and monitors compliance with corporate information security standards within information systems and automated process control systems
- raises information security awareness among employees
- substitutes imported data protection tools whose functionality was restricted due to sanctions
- uses technical means to ensure information security of assets and manage access to data assets
- ensures information security of automated process control systems
- monitors threats to information security and the use of technical protection means, including vulnerability analysis, penetration testing, cryptographic protection of communication channels, controlled access to removable media, protection from confidential data leaks, and mobile device management
- develops information security regulations
- sets up and certifies the Company's information security management system
- implements measures to ensure safe remote access.

ENVIRONMENTAL RISKS

This risk group includes events that result in environmental pollution, are not provided for in approved technological processes and Russian laws, and affect the achievement of the Company's environmental goals.

Key risk factors

- Failure to comply with the requirements of environmental laws when operating the Company's facilities
- Poor internal management and control
- Delay in implementing environmental programmes and measures
- Natural and climate phenomena

Effect on Nornickel's development objective and strategy

Compliance of business with the applicable laws, regulations, corporate standards, and business codes

Risk assessment

Effect on objectives: **medium**
Source of risk: **mixed**
Year-on-year change in risk: **stable**

Key mitigants

To manage these risks, Nornickel:

- develops, implements and improves environmentally sustainable business processes and introduces advanced practices and approaches
- has in place an incentive system and promotes environmental competences of its employees
- implements its corporate Environmental and Climate Change Strategy
- implements environmental initiatives at the Company and Russian entities of the Norilsk Nickel Group
- oversees environmental compliance and the implementation of environmental programmes and measures.



SOCIAL RISK

Tensions may escalate among the workforce due to the deterioration of social and economic conditions in Nornickel's regions of operation.

Key risk factors

- Headcount / staff composition optimisation projects
- Rejection of Nornickel's values by individual employees and/or third parties
- Limited ability to perform annual wage indexation
- Dissemination of false and inaccurate information about Nornickel's plans and operations among the Group's employees
- Reallocation of funds originally intended for social programmes and charity

Effect on Nornickel's development objective and strategy

Social responsibility:

- Partnering with regional and local authorities to develop a social infrastructure that supports a safe and comfortable living environment for local communities
- Facilitating the employees' professional and cultural development and building up talent pools across Nornickel's regions of operation
- Implementing long-term charity programmes and projects

Risk assessment

Effect on objectives: **medium**
Source of risk: **mixed**
Year-on-year change in risk: **stable**

Key mitigants

To manage this risk, Nornickel:

- strictly adheres to the terms and conditions of collective bargaining agreements between the Group companies and their employees (the Group has signed a total of 23 collective bargaining agreements)
- interacts with regional authorities, municipalities and civil society institutions
- fulfils its social obligations under public-private partnership agreements
- implements corporate social responsibility programmes and the World of New Opportunities charity programme aimed at supporting and promoting regional civil initiatives, including by indigenous peoples of Taimyr and the Plant of Goodness employee volunteering programme
- implements infrastructure projects to support the accelerated development of the service economy and improved living standards across Nornickel's regions of operation through the Norilsk Development Agency, the Second School centre for community initiatives in the Pechengsky District and the Monchegorsk Development Agency
- implements regular sociological monitoring across its operations
- surveys Norilsk residents on living standards, employment, migration trends, and general social sentiment to identify major issues
- implements social projects and programmes aimed at supporting employees and their families, as well as Nornickel's former employees
- maintains dialogues with stakeholders and conducts questionnaire surveys when preparing the Group's public sustainability reports
- provides a range of social support measures to redundant staff under Kola MMC's social programmes and develops the Social and Economic Development Strategy of the Pechengsky District.

SUPPLY CHAIN RISKS

Supply chain interruption/disruption within the existing transport and logistics system.

Key risk factors

- Challenging natural and climatic conditions in the regions of operation
- Limitations of the transport and logistics system
- Growing inflation, FX rates, pricing pressure from suppliers, poor planning, and other factors
- Breach of contracts by contractors

Effect on Nornickel's development objective and strategy

Effective delivery of finished products in line with the production programme
Timely supply of products to consumers

Risk assessment

Effect on objectives: **medium**
Source of risk: **mixed**
Year-on-year change in risk: **stable**

Key mitigants

To manage this risk, Nornickel:

- actively engages Russian manufacturers to expand competition
- uses long-term agreements / contracts / price lists with fixed optimal prices for materials, equipment and spare parts on terms that are most beneficial for the Company
- drafts lists of critical manufacturers of equipment and materials, works to prevent supply disruptions and monitors suppliers' performance
- implements its Logistics Infrastructure Development Programme.