

NORILSK NICKEL (CYPRUS) LTD UK ESTABLISHMENT

NORILSK NICKEL EUROPE LTD

TAX STRATEGY

The purpose of this document is to set out the approach of the above companies to conducting their tax affairs and dealing with tax risks for the year ending 31 December 2020.

The companies are committed to:

- Following all applicable laws and regulations relating to their tax activities under paragraph 16(2), Schedule 19, Finance Act 2016.
- Maintaining an open and honest relationship with the tax authorities based on collaboration and integrity.
- Ensuring that the tax strategy adopted is consistent with the Group's overall strategy
- Applying diligence and care in the management of tax risks, and ensuring that the tax governance is appropriate.
- Using risk averse tax planning, and using no aggressive tax planning.
- Complying with HMRC rules for all types of taxation.

Risk management

The companies manage UK tax risks by:

- Appointing a firm of accountants to prepare annual tax returns and to provide tax advice for corporation tax customs duties, VAT and other taxes.
- Appointing a payroll bureau and employment lawyers to ensure compliance with PAYE liabilities.
- Appointing a firm of chartered surveyors to provide advice on stamp duty land tax.
- Employing a local experienced finance team who manage tax risk in line with corporate policy.

The view of the Ultimate Parent Company is:

- UK tax risk is managed locally by UK based employees with assistance from their local third-party tax advisor.
- Overall Group's tax compliance with respect to international tax reporting, including but not limited to preparation and filing of CbC report, Master File, Local File is managed at the level of the Ultimate Parent Holding Company – PJSC MMC Norilsk Nickel.
- The Group uses risk averse approach to tax planning, and is not using any aggressive tax planning with respect to taxation in all jurisdictions of its presence, including the UK.

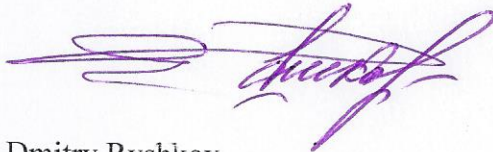
Approach towards dealings with HMRC

The companies are committed to dealing with HMRC in an open and transparent manner and to:

- Be open and collaborative in dealings with HMRC.
- Respond in a timely fashion to HMRC communications.
- Seek to resolve issues with HMRC by agreement wherever possible.
- Be open and transparent about decision-making, governance and tax planning.
- Pay all relevant taxes to HMRC in a timely manner.

Signed

29th December 2020

A handwritten signature in purple ink, appearing to read 'Dmitry Ryshkov', is written over a horizontal line.

Dmitry Ryshkov

Permanent Representative in the UK