

## **TERMS OF REFERENCE FOR SECRETARY OF OJSC MMC NORILSK NICKEL**

### **1. General Provisions**

1.1. These Terms of Reference determine the functions, rights and responsibilities, as well as the appointment and work procedures of the corporate secretary of OJSC MMC Norilsk Nickel (hereinafter also – “Company Secretary”).

1.2. These Terms of Reference have been developed in accordance with the legislation of the Russian Federation, the Company’s internal documents, recommendations of the Corporate Governance Code (approved by the Board of directors of the Bank of Russia on March 21, 2014), as well as based on best international and Russian corporate governance practices.

1.3. The key responsibility of the Company Secretary is to ensure the implementation of procedures which have been prescribed by law and the Company’s internal documents and which ensure the rights and legitimate interests of shareholders, as well as to supervise their execution.

1.4. The work of the Company Secretary is aimed at improving the effectiveness of the management of Company development in the interests of Company shareholders, improving the quality of the corporate governance system, promoting sustainable development and increasing the Company’s investment attractiveness.

### **2. Requirements for Candidates for Corporate Secretary**

2.1. The position of the Company Secretary may be filled by a person who meets the following requirements:

2.1.1. Impeccable reputation;

2.1.2. Higher legal, economic or business education;

2.1.3. Fluency in Russian and English;

2.1.4. No less than two (2) years of professional experience in the field of corporate governance or management;

2.1.5. Knowledge of current legislation, disclosure rules, and requirements for public companies, etc.

2.1.6. Knowledge of best international corporate governance practices;

2.1.7. No convictions or disqualifications, as defined by the Code of Administrative Offences of the Russian Federation.

2.2. The position of the Company Secretary shall not be held by a person affiliated with the Company or a person who has family and/or business relations with the Company’s controlling entity, or a person who has family and/or business relations with members of the Company’s Board of Directors (hereinafter – “Board of Directors”) or the Company’s Management Board (hereinafter – “Management Board”).

### **3. Reporting Lines, Appointment and Termination of Corporate Secretary**

3.1. Candidates for the position of the Company Secretary may be proposed by members of the Board of Directors and the Company's General Director (hereinafter – "General Director").

3.2. In accordance with the Company Charter (hereinafter – "Charter"), the Company Secretary shall be appointed by the Board of Directors for a term of three (3) years; however, the Board of Directors may decide on an early termination of the powers of the Secretary. Recommendations on the candidate for the position of the Company Secretary may be submitted to the Board of Directors by the Company's Corporate Governance, Nomination and Remuneration Committee.

3.3. The Company Secretary shall be contracted and terminated by the General Director based on a decision of the Board of Directors.

3.4. The Company Secretary administratively reports to the General Director and at the same time is accountable and answerable to the Board of Directors.

3.5. The Board of Directors shall conduct an annual evaluation of the effectiveness of the Company Secretary. The evaluation shall be conducted as part of an annual evaluation of the Board of Directors, as per the Company's "Performance Evaluation Policy for Board of Directors."

### **4. Functions and Competencies of Corporate Secretary**

4.1. *Involvement in the preparation and holding of the Company's General shareholder meetings (hereinafter – "General Meeting"), in accordance with the requirements of the current legislation of the Russian Federation, the Charter and other internal regulatory documents of the Company, in particular:*

4.1.1. Involvement in the preparation and holding of General Meetings;

4.1.2. Preparation of a request to the Company's registrar regarding the drawing up of a list of persons having the right to participate in a General Meeting;

4.1.3. Ensuring that persons included in the list of persons having the right to participate in a General Meeting are adequately notified about the Meeting and that voting bulletins are prepared and sent (delivered) to them;

4.1.4. Notifying all members of the Board of Directors, the General Director, members of the Management Board, members of the Audit Commission (Revision Commission) and the Company's auditor about a General Meeting;

4.1.5. Ensuring preparation of materials (information) which shall be provided to persons having the right to participate in a General Meeting; ensuring access of such persons to the aforementioned materials, as well as authorization and provision of such materials;

4.1.6. Receipt and registration of shareholder proposals submitted to the Company with respect to items included in the agenda of a General Meeting and the nomination of candidates to management and control bodies, in accordance with the Company's internal documents, including "Policy on Development and Approval of Vote Recommendations on Candidates Nominated to Board of Directors"; preparation of a legal expertise of such proposals;

4.1.7. Requesting consent from the candidates for election to Company bodies and receipt of such consent;

4.1.8. Development of draft resolutions for the Board of Directors which should be approved in the course of preparation for a General Meeting, as well as draft resolutions for the General Meeting;

4.1.9. Ensuring registration of completed voting bulletins that have been received by the Company and their delivery to the Counting Commission;

4.1.10. Overseeing the work of the Counting Commission;

- 4.1.11. Preparation of minutes and vote results from a General Meeting;
- 4.1.12. Organizing the provision to shareholders of documents/information about the results of voting at a General Meeting and approved resolutions;
- 4.1.13. Ensuring the security of minutes of a General Meeting, voting bulletins, as well as the powers of attorney (copies thereof) for participation in the General Meeting;
- 4.1.14. Based on a General Meeting resolution, requesting from the Company's registrar a list of persons having the right to receive profits, as well as other shareholder lists necessary for shareholders to exercise their rights, as regulated by the law;
- 4.1.15. Receiving, verifying and organizing a legal expertise of requests submitted by shareholders and other authorized persons to convene an extraordinary General Meeting;
- 4.1.16. Ensuring the preparation of translation into the English language of documents provided to shareholders in the course of preparation and holding of a General Meeting;
- 4.1.17. Taking measures to resolve conflicts related to the procedure of preparation and holding of a General Meeting, if they occur.

*4.2. Ensuring the preparation and holding of meetings of the Board of Directors and the Committees of the Board of Directors in accordance with the requirements of the current legislation of the Russian Federation, the Charter and other internal regulatory documents of the Company, in particular:*

- 4.2.1. Involvement in the preparation of work plans for the Board of Directors and the Committees of the Board of Directors, and overseeing their execution;
- 4.2.2. Ensuring that all members of the Board of Directors are notified about a meeting of the Board of Directors, and, when necessary – provision (delivery) to them of voting ballots, collection of completed voting ballots and written opinions of the members of the Board of Directors who did not participate in the meeting, and their delivery to the Chair of the Board of Directors;
- 4.2.3. Overseeing the preparation and delivery to the members of the Board of Directors of materials regarding items included in the agenda of a meeting of the Board of Directors;
- 4.2.4. Verifying and communicating to the members of the Board of Directors participating in a meeting of the Board of Directors the written opinions about items included in the agenda of the meeting submitted by members of the Board of Directors absent from the meeting;
- 4.2.5. Ensuring the translation into the English language of materials provided to the members of the Board of Directors;
- 4.2.6. Participation in the meetings of the Board of Directors, ensuring the drafting of minutes of meetings of the Board of Directors, organizing the translation of the minutes into the English language;
- 4.2.7. Ensuring the storage of minutes of meetings (results of absentee voting) of the Board of Directors; in certain cases – providing copies of the minutes and excerpts from the minutes, and assuring their authenticity;
- 4.2.8. Receipt and storage of all correspondence addressed to the Board of Directors;
- 4.2.9. Ensuring the resolution of all other organizational issues related to the preparation and holding of meetings of the Board of Directors and the Committees of the Board of Directors;
- 4.2.10. Ensuring the interaction of members of the Board of Directors with the General Director and Company executives when preparing for meetings.

*4.3. Ensuring proper functioning of the Board of Directors and the Committees of the Board of Directors and assisting the members of the Board of Directors with performance of their functions, in particular:*

4.3.1. Ensuring the provision to the members of the Board of Directors of clarifications regarding the requirements of the legislation of the Russian Federation, the Charter and other internal documents of the Company with respect to the procedure of preparation and holding of General Meetings and meetings of the Board of Directors, as well as with respect to disclosure (provision) of information about the Company;

4.3.2. Ensuring the receipt by the members of the Board of Directors of information and documents necessary for them to perform their functions, including: minutes of Management Board meetings, instructions issued by the General Director, other documents issued by the Company's executive bodies, as well as minutes of meetings of the Audit Commission and the Company's auditor;

4.3.3. Assistance with the supervision of implementation of targeted resolutions of the Board of Directors;

4.3.4. Ensuring that all newly-elected members of the Board of Directors participate in the Induction Programme and that all members of the Board of Directors participate fully in the Annual Development Programme, in accordance with the Company's "Professional Development Policy for Members of Board of Directors".

4.3.5. Ensuring effective interaction between members of the Board of Directors, the Company's executive bodies and Company shareholders with respect to corporate governance and administrative matters, as well as matters related to the provisions of the Company's Corporate Governance Code and business conduct of the members of the Board of Directors;

4.3.6. Participation in the organization and conduct of the evaluation of the performance of the Board of Directors, in accordance with the Company's "Performance Evaluation Policy for Board of Directors".

4.3.7. Preparation of materials and suggestions regarding improvement of the work of the Board of Directors.

*4.4. Involvement in the improvement of the Company's corporate governance system, in particular:*

4.4.1. Keeping abreast of best corporate governance practices, as well as discussing with the members of the Board of Directors and Company executives the possibility and practicality of their implementation at the Company;

4.4.2. Ensuring that members of the Board of Directors and Company management are promptly informed of significant changes in the Russian legislation in the area of corporate law and the securities market;

4.4.3. Involvement in the development and subsequent revision of the Company's internal documents regulating the activities of executive bodies and the implementation of corporate procedures;

4.4.4. Involvement in the improvement of the Company's corporate governance system and practices;

4.4.5. Immediate notification of the Board of Directors of any revealed violations of the law and the Company's internal documents with respect to the functions of the Company Secretary.

*4.5. Involvement in the implementation of the Company's information disclosure policy, as well as ensuring the storage of the Company's corporate documents; provision of documents and information about the Company as per shareholder requests, in particular:*

4.5.1. Assisting in the preparation, revision and disclosure of information about matters related to the operation and resolutions of the General Meeting, the Board of Directors and the Company's corporate governance system;

4.5.2. Supervision over disclosure (provision) of information about the Company within the range of competence of the Company Secretary, in accordance with the requirements of current legislation of the Russian Federation, stock exchanges and the Company's internal documents;

4.5.3. Involvement in the development, implementation and subsequent revision of the Company's information policy;

4.5.4. Ensuring the storage of the Company's corporate documents to which Company shareholders should have access, as regulated by current legislation of the Russian Federation, as well as provision of such documents and disclosure of information to shareholders, as regulated by current legislation of the Russian Federation and the Charter, including provision of certified copies of such documents;

4.5.5. Supervision over revision of information about corporate governance at the Company published on the Company's official Web site;

4.5.6. Ensuring collection of information about the members of the Board of Directors, the Company's executive bodies and their affiliated persons, in accordance with the requirements of current legislation and the Company's internal documents, provision of such information to Company units responsible for storing information about and duly reporting on affiliated, interconnected and interdependent persons of the Company.

4.6. *Ensuring the interaction between the Company and its shareholders and involvement in the prevention of corporate conflicts, in particular:*

4.6.1. Control over timely consideration by Company bodies and divisions of shareholder letters, demands and other communications received by the Company;

4.6.2. Receipt and preliminary evaluation of letters, demands and other communications from shareholders and, if necessary, ensuring their legal expertise and transfer to the Company bodies competent in addressing a given issue;

4.6.3. Ensuring that shareholders are informed about the decision made with respect to their Company communications in the manner and timeframe prescribed by law and (or) the Company's internal documents;

4.6.4. Ensuring that shareholders are instructed on their rights;

4.6.5. Timely identification of emerging corporate conflicts, informing relevant Company bodies thereof and, if necessary, involvement in their resolution;

4.6.6. Ensuring that the Company interacts with its shareholders and involvement in the prevention of corporate conflicts;

4.6.7. Organizational control over the accuracy and timeliness of income payments to persons having the right to receive dividends and other income.

4.7. Ensuring that the Company interacts with regulators, trade organizers, the registrar, and other professional participants of the securities market, within the range of competence of the Company Secretary.

4.8. The Company Secretary shall also perform other functions, as regulated by applicable legislation and the Company's internal documents.

4.9. In order to remain independent, the Company Secretary shall not serve in other capacity at the Company, excluding the functions of the Secretary of the Board of Directors if the Board of Directors so decides.

## **5. Interaction with Executive Bodies and Company Divisions, Ensuring Company Secretary's Independence from Company's Management Bodies**

5.1. The Company Secretary interacts with any management or control bodies, Company divisions, management and Company employees to the extent that it is necessary for him/her to properly perform his/her functions.

5.2. Company bodies and executives shall be obligated to interact in every possible way with the Company Secretary in the performance of his functions.

5.3. Company bodies, divisions and executives shall be obligated to provide to the Company Secretary any information and documents requested by him/her within his/her range of competence.

5.4. The Company Secretary shall promptly inform the Chair of the Board of Directors and the General Director about any instances hindering compliance with procedures whose observance lies within the competence of the Company Secretary.

## **6. Corporate Secretariat**

6.1. In order to ensure an effective performance of the functions of the Company Secretary, there shall be established a Corporate Secretariat of the Company (hereinafter – “Secretariat”) whose structure and staffing shall be approved and altered by the General Director. The Secretariat is a structural division of the Company.

6.2. The Company Secretary shall head the Secretariat, whose staff consists of full-time employees of the Company.

6.3. The Company Secretary:

6.3.1. Coordinates the work of the Secretariat and ensures that the Secretariat properly performs its functions;

6.3.2. Develops and submits job descriptions for the employees of the Secretariat and ensures that they are updated in a timely manner;

6.3.3. Gives instructions to the employees of the Secretariat and supervises their execution;

6.3.4. Provides guidance and practical assistance to the employees of the Secretariat in the performance of their duties;

6.3.5. Ensures that the employees of the Secretariat comply with the Company’s work rules, coordinates the holiday schedule for the employees of the Secretariat;

6.3.6. Sends the employees of the Secretariat on business trips;

6.3.7. Decides on the means of incentivizing and reprimanding the employees of the Secretariat;

6.3.8. Ensures that the employees of the Secretariat systematically increase their qualifications and is involved in their verification.

## **7. Rights and Obligations of Corporate Secretary**

7.1. In order to carry out his/her functions, the Company Secretary has the right to:

7.1.1. Demand that officers and employees of the Company strictly comply with the norms and requirements of current legislation, the Charter and the Company’s internal documents; demand that violations be rectified;

7.1.2. Request and receive from the Company’s officers, heads of its divisions, as well as heads of subsidiary and affiliate companies information and documents necessary for the Company Secretary to carry out his/her responsibilities;

7.1.3. Initiate the involvement of the Company’s divisions and employees, as well as third-party organizations (experts) in preparation of document drafts and execution of corporate procedures;

7.1.4. Propose to the Chair of the Board of Directors the inclusion in the agenda of meetings of the Board of Directors of items related to the scope of duties of the Company Secretary;

7.1.5. Have access to all materials of the Board of Directors and its Committees, as well as to materials of the Management Board, related to the scope of duties of the Company Secretary;

7.1.6. Prepare and provide responses and clarifications to shareholders;

7.1.7. Request information from the Company's registrar;

7.1.8. Make proposals on the budget of the Company Secretary and decide on the use of the funds;

7.1.9. If necessary, involve external experts for additional consultation.

7.2. The Company Secretary is obligated to:

7.2.1. Observe strictly in his/her work the norms and requirements of the law and regulatory acts of the Russian Federation, the Charter and other internal documents of the Company;

7.2.2. Take all necessary measures to ensure respect for the rights and legitimate interests of Company shareholders, and when addressing emerging issues – prioritize respect for the rights of all of Company shareholders.

7.2.3. Monitor implementation of resolutions approved by the Board of Directors and the General Meeting;

7.2.4. Provide proof of receipt of correspondence, complaints and petitions from shareholders, indicating the date and time of receipt by the Company of relevant documents;

7.2.5. Report annually on its work to the Board of Directors;

7.2.6. Inform the Board of Directors about the occurrence of situations that may result in the violation of current legislation, shareholder rights, as well as of the occurrence of a corporate conflict;

7.2.7. Remain objective and independent while performing his duties and in the event of corporate conflicts, and take all feasible and reasonable measures to resolve them;

7.2.8. Increase his/her qualifications, support the interaction on corporate governance with the professional community and represent the Company in matters related to the work of the Corporate Secretary.

7.2.9. Participate in the meetings of the Board of Directors and the Management Board.

7.3. The Company Secretary shall head the Secretariat, thus executing his/her powers listed in point 6.3. of these Terms of Reference.

## **8. Responsibility of Corporate Secretary**

8.1. In exercising his/her rights and in performing his/her duties, the Company Secretary shall act in the best interests of the Company, exercise his/her rights and perform his/her duties towards the Company honestly and reasonably.

8.2. The Company Secretary is accountable for any violations of current legislation, including disclosure of confidential information of the Company.

8.3. The Company Secretary is responsible for the organization of the work of the Secretariat and for proper execution by the Secretariat of its functions.

8.4. The Company Secretary is a Company insider and bears legal responsibility in the event of violations of the law related to disclosure of confidential information and the responsibilities of a Company insider.

## **9. Principles and Procedures of Payment of Remuneration to Corporate Secretary**

9.1. The remuneration package for the Company Secretary, including a bonus for achieving key performance indicator targets, shall be determined by the Board of Directors and outlined in the employment contract with the Company Secretary.

9.2. Remuneration shall be paid out to the Company Secretary in accordance with the schedule of payment of wages to Company employees.

## **10. Final Provisions**

10.1. These Terms of Reference shall be approved, amended and supplemented upon a decision of the Board of Directors.

10.2. These Terms of Reference shall enter into force upon their approval by the Board of Directors.

10.3. Information about the person serving as the Company Secretary shall be published on the Company Web site: <http://www.nornik.ru>.