



## PRESS RELEASE

**NORNICKEL**

Public Joint Stock Company «Mining and Metallurgical Company «NORILSK NICKEL»  
(PJSC "MMC "Norilsk Nickel", "Nornickel" or the "Company")

### **NORNICKEL ANNOUNCES CONSOLIDATED PRODUCTION RESULTS FOR FY2021**

**Moscow, January 24, 2022** – Nornickel, the world's largest producer of palladium and high-grade nickel and a major producer of platinum and copper, announces preliminary consolidated production results for the fourth quarter and the full year of 2021 and reiterates its production outlook for the full year 2022.

#### **Senior Vice-President, Chief Operating Officer, Sergey Stepanov commented on the production results:**

«In 2021, the Company fully met its revised production guidance for nickel and copper and outperformed its PGM targets.

Last year, we had to deal with several unexpected developments in Norilsk Division. At first, the [Norilsk Concentrator had to be temporarily suspended due to an accident](#), and then the natural groundwater inflow led to a [temporary halt of Oktyabrsky and Taimyrsky underground mines](#). By now, both Oktyabrsky and Taimyrsky mines as well as the Norilsk Concentrator have recovered and are operating at their full capacity.

The Company continued to deliver on its ESG strategy aiming to reduce its environmental impact in the regions of operations. In 2021, the [metallurgical shop of Kola MMC in Monchegorsk was shut down on March 20<sup>th</sup>](#), since then all copper concentrate that used to be processed at this site has been shipped for further processing to the Norilsk division. As a result and taking into account additional impact from the [shutdown of smelting facilities located in the town of Nickel in December 2020](#), sulphur dioxide emissions at the cross-border area with Norway have been completely eliminated, while overall sulphur dioxide emissions at Kola MMC were reduced by 85% in 2021 as compared to the base year of 2015. Overall, we estimate that the Company's total sulphur dioxide emissions reduced by over 10% y-o-y in 2021.

**We reiterate our production guidance from own Russian feed for FY2022 as announced at the [Capital Markets Day in November 2021](#)»**

### **NORILSK NICKEL GROUP**

#### Nickel

**In 4Q21**, consolidated nickel output increased 25% quarter-on-quarter (q-o-q) to **63 kt**, and practically all of which were produced from the Company's own Russian feed (**62.7 kt**). The increase in production was attributed to the recovery of Oktyabrsky (5 mtpa of ore) and Taimyrsky (4.3 mtpa of ore) mines, as well as the ramp-up of the Norilsk Concentrator as a result of the launch of mobile crushers.

**In 2021**, consolidated nickel production decreased 18% year-on-year (y-o-y) to **193 kt**. The decrease in production was attributed to the temporary suspension of mining operations at Oktyabrsky (recovered to full capacity in May 2021) and Taimyrsky (recovered to full capacity in December 2021) mines after the flooding caused by the inflow of underground water, as well as the temporary suspension of the Norilsk Concentrator and consequent repairs (fully recovered in December 2021).

**In 2021**, nickel output from the Company's own Russian feed amounted to **190 kt**, at the low end of the **190-200 kt** production guidance for 2021.

## Copper

In **4Q21**, copper production increased 3% q-o-q to **119 kt**, almost all of which were produced from own Russian feed. In **2021**, total copper output decreased 16% y-o-y to **407 kt**. The changes of copper production volumes in the reported periods were due to the same reasons as for nickel described above. At the same time, due to the fact that the Oktyabrsky mine, which mines cuprous ores with higher copper grades, was already fully recovered in 3Q21, the increase in the company's copper production in the 4Q21 was relatively small.

In **2021**, copper output from the Company's own Russian feed (excluding Bystrinsky project) amounted to **339 kt** in line with **335-355 kt** production guidance.

In **2021**, copper output in concentrate at Bystrinsky GOK (project) increased 8% y-o-y to **68 kt** in line with its **65-70 kt** production guidance.

## Platinum Group Metals

In **4Q21**, palladium and platinum output increased 18% q-o-q to **704 koz** and 23% q-o-q to **178 koz**, respectively. In **2021**, palladium and platinum output reduced 7% y-o-y to **2,616 koz** and 8% y-o-y to **641 koz**, respectively. The changes in PGM production volumes in the reported periods were attributed to the same reasons as nickel described above. However, owing to the longer production cycle from mining to final products of platinum group metals compared to base metals, the recovery of mines in the 3Q21 led to a significant increase in the production of platinum group metals only in 4Q21.

In **2021**, palladium and platinum output from the Company's own Russia feed amounted to **2,616 koz** and **641 koz**, respectively, which was above the production targets for palladium of **2,350-2,410 koz** and **580-640 koz** for platinum, respectively.

## **NKOMATI (South Africa)\***

In **2021**, Nkomati (50% of the Group) produced 0.8 kt of nickel, 0.5 kt of copper, 5 koz of palladium and 2 koz of platinum. In 2Q21, Nkomati was placed on limited care and maintenance due to cessation of production activity.

*Note: (\*) Nkomati production results are not consolidated in the Group's total operating results.*

## **Production Guidance from the Company's Russian feedstock for 2022**

<b>Metal</b>	<b>Volume</b>
<b>Norilsk Nickel Group (excluding Chita)</b>	
Ni, kt	205-215
Cu, kt	365-385
Pd, koz	2,451-2,708
Pt, koz	604-667
<b>Bystrinsky (Chita) Copper Project (1)</b>	
Cu, kt	64-68
Au, koz	225-245

*Note: 1. Norilsk Nickel Group owns 50.01% of Bystrinsky GOK (Chita Copper Project). Production results are shown metal in concentrate for sale on 100% basis and fully consolidated in total operational results. The concentrator at the Bystrinsky project was launched 2019.*

<b>NORILSK NICKEL GROUP SALEABLE METALS PRODUCTION <sup>1</sup></b>		<b>4Q 2021</b>	<b>3Q 2021</b>	<b>Q-o-Q</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>Y-o-Y</b>
<b>Total nickel</b>	t	<b>63,148</b>	<b>50,575</b>	<b>25%</b>	<b>193,006</b>	<b>235,709</b>	<b>-18%</b>
including from own Russian feed	t	62,736	50,194	25%	189,945	232,532	-18%
<b>Total copper</b>	t	<b>118,531</b>	<b>115,617</b>	<b>3%</b>	<b>406,841</b>	<b>487,186</b>	<b>-16%</b>
including from own Russian feed	t	118,531	115,591	3%	406,815	486,816	-16%
<b>Total palladium</b>	koz	<b>704</b>	<b>598</b>	<b>18%</b>	<b>2,616</b>	<b>2,826</b>	<b>-7%</b>
including from own Russian feed	koz	704	598	18%	2,616	2,820	-7%
<b>Total platinum</b>	koz	<b>178</b>	<b>145</b>	<b>23%</b>	<b>641</b>	<b>695</b>	<b>-8%</b>
including from own Russian feed	koz	178	145	23%	641	693	-8%
<b>Norilsk and Kola Division (Russia)</b>							
<b>Nickel</b>	t	<b>46,119</b>	<b>43,014</b>	<b>7%</b>	<b>145,817</b>	<b>172,357</b>	<b>-15%</b>
Kola MMC, including	t	46,119	43,014	7%	145,817	172,357	-15%
refined Ni from own Russian feed	t	40,086	37,700	6%	121,088	154,402	-22%
saleable intermediate products from own Russian feed	t	6,033	5,314	14%	24,729	17,955	38%
from 3d parties feed	t	0	0	-	0	0	-
<b>Copper</b>	t	<b>99,364</b>	<b>97,810</b>	<b>2%</b>	<b>337,120</b>	<b>422,031</b>	<b>-20%</b>
Polar Division	t	96,403	95,020	1%	315,511	351,413	-10%
Kola MMC, including	t	2,961	2,790	6%	21,609	70,618	-69%
Cu cathodes from own Russian feed	t	0	0	-	9,169	64,731	-86%
saleable intermediates from own Russian feed	t	2,961	2,790	6%	12,440	5,887	111%
from 3d parties feed	t	0	0	-	0	0	-
<b>Palladium</b>	koz	<b>681</b>	<b>592</b>	<b>15%</b>	<b>2,587</b>	<b>2,809</b>	<b>-8%</b>
Polar Division	koz	275	299	-8%	1,058	1,180	-10%
Kola MMC, including	koz	406	293	39%	1,529	1,630	-6%
from own Russian feed	koz	406	293	39%	1,529	1,630	-6%
from 3d parties feed	koz	0	0	-	0	0	-
<b>Platinum</b>	koz	<b>173</b>	<b>144</b>	<b>20%</b>	<b>634</b>	<b>691</b>	<b>-8%</b>
Polar Division	koz	72	73	-1%	271	302	-10%
Kola MMC, including	koz	101	71	43%	363	390	-7%
from own Russian feed	koz	101	71	43%	363	390	-7%
from 3d parties feed	koz	0	0	-	0	0	-
<b>Zabaykalsky Division (Russia) <sup>2</sup></b>							
Copper	t	17,637	17,414	1%	67,798	62,664	8%
Gold	koz	69	67	3%	258	241	7%
Iron ore concentrate	kt	636	676	-6%	2,582	2,046	26%
<b>Norilsk Nickel Harjavalta (Finland)</b>							
<b>Nickel, including</b>	t	<b>17,029</b>	<b>7,561</b>	<b>125%</b>	<b>47,189</b>	<b>63,352</b>	<b>-26%</b>
from own Russian feed	t	16,617	7,180	131%	44,128	60,175	-27%
from 3d parties feed	t	412	381	8%	3,061	3,177	-4%
<b>Copper, including</b>	t	<b>1,530</b>	<b>393</b>	<b>289%</b>	<b>1,923</b>	<b>2,491</b>	<b>-23%</b>
from own Russian feed	t	1,530	367	317%	1,897	2,121	-11%
from 3d parties feed	t	0	26	-100%	26	370	-93%
<b>Palladium, including</b>	koz	<b>23</b>	<b>6</b>	<b>276%</b>	<b>30</b>	<b>17</b>	<b>78%</b>
from own Russian feed	koz	23	6	288%	29	11	170%
from 3d parties feed	koz	0	0	-100%	0	6	-97%
<b>Platinum, including</b>	koz	<b>5</b>	<b>1</b>	<b>264%</b>	<b>7</b>	<b>4</b>	<b>78%</b>
from own Russian feed	koz	5	1	264%	7	2	310%
from 3d parties feed	koz	0	0	-	0	2	-100%
<b>Nkomati (South Africa) <sup>3</sup></b>							
Nickel	t	0	0	-	795	5,839	-86%
Copper	t	0	0	-	465	2,877	-84%
Palladium	koz	0	0	-	5	30	-83%
Platinum	koz	0	0	-	2	13	-84%

Notes:

- Totals may value from the sum of numbers as a result of rounding. The production results of Nkomati is not reflected in totals of Norilsk Nickel Group.
- Norilsk Nickel Group owns 50.01% of Bystrinsky GOK (Chita Copper Project). Production results are shown metal in concentrate for sale on 100% basis and fully consolidated in total operational results. The concentrator at the Bystrinsky project was launched 2019.
- Norilsk Nickel Group owns 50% of Nkomati. Production results report metal contained in saleable concentrate on a 50% basis and are not consolidated in the Group's total operating results. In 2Q21, Nkomati was placed on limited care and maintenance due to cessation of production activity.

This announcement contains inside information in accordance with Article 7 of EU Regulation 596/2014 of 16 April 2014.

**Full name and position of person making the announcement** - Vladimir Zhukov,  
Vice - president, Investor Relations

#### **ABOUT THE COMPANY**

MMC Norilsk Nickel is a diversified mining and metallurgical company, the world's largest producer of palladium and high-grade nickel and a major producer of platinum and copper. The company also produces cobalt, rhodium, silver, gold, iridium, ruthenium, selenium, tellurium, sulphur and other products.

The production units of Norilsk Nickel Group are located at the Norilsk Industrial District, on the Kola Peninsula and Zabaykalsky Krai in Russia as well as in Finland.

MMC Norilsk Nickel shares are listed on the Moscow and on the Saint-Petersburg Stock Exchanges, ADRs are traded over the counter in the US and on the London, Berlin and Frankfurt Stock Exchanges.

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