

INFORMATION ABOUT THE AUDITOR

Proposed as Auditor of RAS Accounting Statements and IFRS Consolidated Financial Statements

of PJSC MMC Norilsk Nickel

KPMG Joint Stock Company
10 Presnenskaya Naberezhnaya
Moscow, Russia 123112

Phone +7 (495) 937 4477
Fax +7 (495) 937 4400/99
Internet www.kpmg.ru

1. Information about KPMG JSC

Name	Information
Name	KPMG Joint Stock Company
Registration certificate	Certificate No. 011.585 issued by Moscow Registration Chamber on 25/05/1992, series BZ No. 000006
Registered address	office I-24E, 3rd floor, 16/5 Olympiyskiy prospect, Moscow, 129110, Russian Federation
Business address	10 Presnenskaya Naberezhnaya, Moscow, 123112, Russian Federation
Website	www.kpmg.ru
Branches	Vladivostok, Voronezh, Ekaterinburg, Kazan, Krasnoyarsk, Nizhny Novgorod, Novosibirsk, Perm, Rostov-on-Don, St. Petersburg, Ufa, Yuzhno-Sakhalinsk (branches); Tashkent (representative office)
Self-regulatory organization of auditors	KPMG JSC is a member of Self-Regulatory Organization of Auditors 'Russian Union of Auditors' (Association) Principal Registration Number of Entry (PRNE) No. 11603053203 in State Register of Auditors and Audit Organizations

2. Norilsk Nickel and KPMG

KPMG has been the Auditor of IFRS consolidated financial statements of the PJSC MMC Norilsk Nickel since the issuance of the 2009 statements.

KPMG has been the Auditor of RAS accounting statements of PJSC MMC Norilsk Nickel since the issuance of the 2016 statements.

3. General information about KPMG

KPMG is one of the Big Four companies, a global network of professional companies providing audit, tax, and advisory services. KPMG operates in 153 countries and employs 207,000 people. KPMG views its mission as the transformation of professional knowledge into real economic benefit in the interests of its customers, employees and international capital markets. For the year ending September 30, 2018, KPMG reported member company combined revenues of USD 28.96 billion vs USD 26.4 billion last year.

KPMG in Russia and CIS

Since 2009, KPMG has been the largest audit company in Russia (Agency RAEX (Expert RA) rankings of the largest audit groups and networks according to their revenue from audit in 2009-2017).

KPMG's guiding principle has always been to leverage the company's global intellectual capital, combined with the practical experience of our local professionals. KPMG provides audit services as well as a wide range of advisory services covering tax and legal matters, performance improvement, risk management, transaction support, financing, and restructuring.

KPMG has been operating in Russia and CIS for more than twenty years and it has 24 offices in Moscow, Vladivostok, Voronezh, Ekaterinburg, Kazan, Krasnoyarsk, Nizhny Novgorod, Novosibirsk, Perm, Rostov-on-Don, Saint Petersburg, Ufa, Yuzhno-Sakhalinsk, Minsk, Almaty, Astana, Atyrau, Nur-Sultan, Bishkek, Tashkent, Kyiv, Lviv, Yerevan, Tbilisi and Baku, employing altogether over 5,500 people.

KPMG JSC is a member of the Russian Union of Auditors (RUA).

4. KPMG as the largest audit company in Russia

KPMG provides audit services to 4 out of 10 largest Russian metallurgical companies according to the RAEX-600 rating (2018)

No.	The Company	Auditor
1	Evrax	EY
2	NLMK	PwC
3	Rusal	KPMG
4	Norilsk Nickel	KPMG
5	Severstal	KPMG
6	MMK	PwC
7	UGMK	KPMG
8	Metalloinvest	PwC
9	Mechel	EY
10	TMK	EY

5. KPMG services in Russia and CIS

Audit	Tax and Legal	Advisory
<ul style="list-style-type: none"> • Audit of financial statements prepared in accordance with international financial reporting standards (IFRS, US GAAP) • Audit of financial statements prepared in accordance with Russian accounting principles (RAP) • Audit Based Services • Accounting and reporting advisory services 	<ul style="list-style-type: none"> • Taxation • Corporate and business tax • International taxation • Transfer pricing • Indirect tax • Technology in taxation • Accounting, corporate tax compliance in Russia and abroad • Staff management and taxation services to individuals • Legal Practice • M&A transactions support and joint-venture creation • Corporate law and restructuring • Dispute settlement • Antitrust compliance services • Commercial law and intellectual property services • Labour law and incentive programs 	<ul style="list-style-type: none"> • Investments and Capital Markets • M&A transactions support • Services for M&A transactions management • Business and assets evaluation • Fund raising • Debt restructuring • Business integration and separation • Risk Consulting • Financial risk management • Financial investigations (forensic) • Operational risks and sustainable development • Internal audit, risk and compliance services • Management Consulting • Finance and treasury management • IT advisory • Operational efficiency improvement • Strategic consulting

6. Quality control

KPMG employs tried and trusted, well-considered rules and procedures for quality control, and delivers the highest standard of quality in audit services. Our system of rules and internal controls is constantly kept under review, in order to identify new areas for improvements in the work of our audit teams. The quality control system in place at KPMG stipulates a wide range of measures aimed at ensuring good faith and objectivity of their employees in their work. The professional review system designed to oversee partner performance in the audit process enables us to guarantee the high level of our partners' work and ensure full compliance with professional audit standards, backed by our own, even more rigorous quality control standards.

Thanks to these measures, you can be confident that our audit will meet high standards of quality and reliability.

KPMG external quality control

As a member of KPMG International, KPMG in Russia undergoes annual and thorough quality control audits of the services provided. Member companies of the KPMG international network must demonstrate their commitment to the highest standards of quality in audit compliance, and apply approaches, methodology and

technological solutions which have been centrally approved and which enable KPMG partners and professionals to provide agreed and consistent services on a global basis. Quality control at KPMG is a comprehensive and detailed process.

The quality control process is split into stages: the quality performance review program (“QPR”); and assessment of the existing risk management controls and processes (“Risk & Compliance”).

QPR is carried out by experienced partners from other KPMG offices who have not been involved in the audit under review. The main requirements for the annual QPR can be summarised as follows: independent partners review 5-10% of the total number of hours spent on engagements for the company's clients. The review takes approximately 1-2% of the total time spent on the selected engagement.

The activities selected for review is often high-risk work. Furthermore, each of our audit partners is required to undergo an engagement review at least once every three years irrespective of his/her client portfolio.

The Risk & Compliance review is also performed by experienced partners. The review includes review and testing of risk management documentation, procedures and control. A certain rating is assigned to the office based on the results of the annual inspection.

KPMG has always prioritized quality control and risk management issues. At present, a dedicated risk management partner and principal work in KPMG's Moscow office, while a partner and senior manager are responsible for the organization of quality review. When it comes to quality control and risk management issues, these employees that hold key positions get assistance from some other partners and managers, such as partners responsible for quality control of high-risk works, and Department for development of professional practice that carries out mandatory repetitive checks of all the KPMG audit reports.

KPMG JSC is a member of Self-Regulatory Organization of Auditors ‘Russian Union of Auditors’ (Association); Principal Registration Number of Entry (PRNE) No. 11603053203 in State Register of Auditors and Audit Organizations.

In 2010, 2013, and 2016 KPMG JSC received a report of the Self-Regulatory Organization of Auditors ‘Russian Union of Auditors’ (Association), based on results of the quality review of audit and compliance with professional ethics (No. 159 dated September 30, 2010, No. 207 dated November 28, 2013, and No. 80 dated July 06, 2016).

In 2014, JSC KPMG underwent an external quality assurance review by the Federal Financial and Budgetary Oversight Service (Rosfinnadzor) responsible for external quality control of audit companies engaged in statutory audits of publicly significant organisations.