



APPROVED BY
Resolution of the Board of Directors of
PJSC MMC Norilsk Nickel
(Minutes No. GMK/36-pr-sd dated 29 November
2021)

PJSC MMC Norilsk Nickel Community Engagement Policy

1. Scope

This Community Engagement Policy of PJSC MMC Norilsk Nickel (hereinafter referred to as the Policy) sets forth the fundamental operating principles, obligations, initiatives, and management entities of PJSC MMC Norilsk Nickel (hereinafter referred to as the Company) and the Norilsk Nickel Group business units (hereinafter collectively referred to as the Group) regarding interaction with local communities.

The requirements hereof shall be mandatory for the Company employees. This Policy applies to all the Norilsk Nickel Group business units in which the Company directly or indirectly owns more than 50% of the authorized capital (hereinafter referred to as NN BUs), subject to the restrictions and requirements of applicable laws.

2. General Information

The Company is one of the most significant taxpayers in Russia and plays a significant role in supporting local communities as a major employer. The Company contributes to improving the quality of life of the local communities it affects in the regions of operation. The Company takes into account their interests, views and preferences, as well as their history, culture, traditions, lifestyles and historical heritage. The Company researches local communities and studies feedback received, inter alia, via corporate communications and the Corporate Trust Service (hereinafter referred to as the CTS).

This Policy defines the main elements of the Company's approach to working with local communities and measures to develop the regions of operation.

This policy applies across all stages of the Company's production activities including exploration, extraction, smelting, refining, manufacturing of finished products, marketing and sale of non-ferrous and precious metals.

The Group also expects its contractors and suppliers to comply with the principles and provisions hereof.

3. Statutory Framework

3.1. The Group is guided by the federal and regional laws of the Russian Federation and other countries where it operates, recognised Russian¹ and international standards² related to stakeholder engagement, as well as contracts with federal and local authorities in the Russian Federation and other countries. The Policy also takes into account and is based on the principles and requirements of the Universal Declaration of Human Rights, United Nations Declarations, International Labour Organisation Conventions, as well as the UN Sustainable Development Goals, the International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability, the UN Guiding Principles on Business and Human Rights (UNGPs), the GRI reporting standards, the Voluntary Principles on Security and Human Rights (VPSHR). The Group engages with stakeholders in a manner consistent with the recommendations³ of ISO 26000:2010 and AA1000SES, 2015.

3.2. This Policy shall be read in conjunction with:

- Business Ethics Code of PJSC MMC Norilsk Nickel;
- Human Rights Policy of PJSC MMC Norilsk Nickel;
- SME Support Policy of PJSC MMC Norilsk Nickel;
- Indigenous Peoples' Rights Policy of PJSC MMC Norilsk Nickel;
- Charity Work Regulations of PJSC MMC Norilsk Nickel.

4. Commitments and Principles

The Company and Russian business units within Norilsk Nickel Group (hereinafter referred to as NN RBUs) strive to have a positive impact on the quality of life of local communities. In order to make a long-term positive contribution, the Company and NN RBUs create conditions and opportunities for unimpeded development of local communities in the regions of operation and enhance the attractiveness of the social environment and its institutions. The priority area of activity in this area for the Company and NN RBUs is supporting local social and charity initiatives, encouraging people to cooperate and building up social capital.

4.1. The Company and NN RBUs maintain dialogue with local communities through negotiations, joint working groups, standing committees, conferences and forums, meetings and working sessions, as well as through project implementation and the CTS based on the principles of cooperation, respect for interests and traditions of peoples, gender equality and compliance with laws.

4.2. The Company and NN RBUs provide local communities with access to the complaint management mechanism that enables resolution and redress of complaints related to the activities of the Company and NN RBUs. Applications may be submitted with the indication of the applicant's personal data or anonymously. The Company and NN RBUs do not tolerate any punishment, disciplinary action or retaliation against anyone who reports concerns and assists in investigating misconduct.

¹ The Responsibility Standard of the residents of the Arctic zone of the Russian Federation for interaction with the minor indigenous peoples of the Russian Federation residing and performing traditional economic activities in the Arctic zone of the Russian Federation.

² IFC Performance Standards.

³ These standards are non-binding and do not require conformity certification.

4.3. The Company and NN RBUs ensure that the Local Community Engagement Guidelines are adequately explained to all community members affected by the activities of the Company and NN RBUs.

4.4. The Company and NN RBUs are committed to providing local community members with jobs without discrimination based on race, skin colour, gender, ethnicity, language, religion, disability, political preference or any other feature.

4.5. The Company and NN RBUs actively provide vocational guidance and create jobs for local residents in their main regions of operation.

4.6. The Company and NN RBUs support the vocational training system, contribute to the development of material, technical and training potential of municipal vocational education institutions in the regions of operation.

4.7. The Company and NN RBUs seek to develop cooperation with local communities, local businesses, local non-profit organisations and regional authorities in all regions of operation.

4.8. The Company and NN RBUs participate in the construction and maintenance of social infrastructure in order to create accessible and convenient working and living conditions in the regions of operation.

4.9. The Company and NN RBUs monitor implementation of local infrastructure development programmes and social and environmental activities in the regions of operation.

4.10. At the early stages of a project, the Company and NN RBUs are committed to hold regular consultations with the local community in good faith and appropriate manner to reach agreement or consent on proposed measures.

5. Governance

Management entity	Key functional responsibilities
1. Board of Directors	
The Company's Board of Directors	Approves the PJSC MMC Norilsk Nickel Community Engagement Policy and amendments hereto. Approves the Group's Sustainability Report, including local community engagement
PJSC MMC Norilsk Nickel Board of Directors' Sustainability and Climate Change Committee	Provides the Board of Directors with opinions on assessment of efficiency and quality of the creation and implementation of key projects on local community engagement. Monitors the quality and efficiency of implementation of material changes to approved strategies, goals, programmes, projects and other significant initiatives on local community engagement. Makes recommendations to the Board of Directors on implementing regulations and laws, standard and

Management entity	Key functional responsibilities
	association requirements on local community engagement.
Other Committees of PJSC MMC Norilsk Nickel Board of Directors	Reviews the charity report, including in terms of community engagement.
2. Management Board	
PJSC MMC Norilsk Nickel Management Board	Reviews the Group's Sustainability Report, including local community engagement
PJSC MMC Norilsk Nickel Management Board's Risk Management Committee	<p>Monitors key risks, including those identified in the course of local community monitoring.</p> <p>Ensures appropriate responses to key risks.</p> <p>Makes recommendations to the PJSC MMC Norilsk Nickel Management Board on key risks, including those identified in the course of local community engagement</p>
3. Collegial deliberative bodies of the Company	
PJSC MMC Norilsk Nickel Charity Committee	Oversees effective day-to-day management and decision making for the Company's charity initiatives, including in terms of community engagement
4. The Company's Head Office Departments	
Senior Vice President for HR, Social Policy and Public Relations	<p>Oversees and coordinates the development and implementation of HR and social policies in line with the Company's strategic objectives.</p> <p>Develops and implements the Company's regional social policy on local community engagement</p>
Sustainable Development Department	<p>Develops and implements the Sustainable Development Policy including local community engagement.</p> <p>Participates in the monitoring and analysing changes in legislation and recognised international standards related to sustainable development, including those related to freedom of association, to ensure consistency with the Company's policies and practices.</p> <p>Provides methodological support for compliance with recognised international sustainability standards, including engagement with local communities.</p> <p>Conducts stakeholder analysis for inclusion in the Stakeholder Engagement Plan (hereinafter referred to as the SEP) for engagement with local communities.</p> <p>Prepares an annual consolidated SEP, including local community engagement activities</p>

Management entity	Key functional responsibilities
Accounting, Taxation and Financial Reporting Department	<p>Organises financial risk accounting in accordance with the International Financial Reporting Standards and other standards, reflects financial assessment of significant risks associated with local community engagement in its financial statements.</p> <p>Prepares and certifies the financial disclosures relating to local community engagement</p>
Economic Department	<p>Ensures budgeting and control over budget performance in the Company and RBUs including special budgets and provisions.</p> <p>Ensures information collection to prepare the Company's public reporting as part of its functional area.</p> <p>Ensures coordination of the activities of related functions in order to automate data input and processing as well as control procedures for planning, accounting and budget data monitoring.</p>
Federal and Regional Programmes Department	<p>Participates in feasibility reviews and monitors implementation of local community partnership agreements within its functional responsibility area.</p> <p>Engages stakeholders in implementing federal and regional projects/programmes by the Company and NN RBUs.</p> <p>Ensures that the views of local communities and other stakeholders, including unprotected and socially excluded groups, affected by the Company's activities are taken into account.</p> <p>Reviews issues considered at events with local community representatives, results of local community engagement and commitments made.</p> <p>Participates in considering and settling complaints/applications from stakeholders as part of its functional responsibility area.</p> <p>Ensures continuous stakeholder engagement for sustainable development in the regions of operation in line with the Local Community Interaction Policy.</p>
Marketing Department	<p>Assesses the impact of risks and opportunities associated with stakeholder engagement on the Company's sales activities.</p>
Investor Relations Department	<p>Assesses the impact of risks and opportunities associated with stakeholder engagement on the Company's investment attractiveness and compliance with the investors' requirements and expectations.</p>

Management entity	Key functional responsibilities
Environmental Department	<p>Engages with stakeholders, including local communities, on environmental issues, climate change, water management, biodiversity conservation, waste management, air and soil condition, remediating and/or offsetting adverse environmental impact within the Company's production facility footprint.</p> <p>Participates in human rights risk management within its functional responsibility area.</p>
Social Policy Department	<p>Engages on social policy and sustainable development issues, engages with stakeholders in the regions of operation and implements charity programmes for local community development.</p> <p>Regularly analyses the social situation in the Company's regions of operation.</p> <p>Organizes annual surveys of the participants of social and charity programs to collect feedback.</p> <p>Participates in human rights risk management within its functional responsibility area.</p> <p>Participates in considering and resolving stakeholder complaints/requests within its functional responsibility area.</p>
Risk Management Service	<p>Monitors the implementation of key risk management activities, including local community engagement.</p> <p>Develops overall corporate methodological approaches and principles related to risk management.</p> <p>Provides the PJSC MMC Norilsk Nickel Management Board Risk Management Committee with consolidated information on managing key risks, including in local community engagement.</p>
Production Assets Department	<p>Coordinates the management of technical and operational risks that may affect local communities within the department's functional responsibility area.</p> <p>Participates in managing stakeholder engagement risks within its functional responsibility area.</p>
Public Relations Department	<p>Interacts with the Company's units when publishing information related to stakeholder engagement on the Company's corporate website.</p>
Internal Control Department	<p>Accepts complaints/applications related to stakeholder engagement received by the Corporate Trust Service (CTS), determines the authenticity, analyses and processes incoming information.</p> <p>Organizes and conducts audits of complaints/applications related to stakeholder engagement received by the CTS.</p>

Management entity	Key functional responsibilities
	<p>Monitors the status of control activities carried out as a result of the inspections initiated by the CTS.</p> <p>Informs the heads of the Company's departments, NN BUs, NN RBUs' business curators and separate divisions' curators with regard to the statistics of applications filed with the CTS relating to the issues concerning stakeholder engagement, systemic flaws and violations detected via the CTS.</p> <p>Ensures the accessibility of the mechanism for submitting and considering applications.</p>
5. Company's Production Divisions and Business Units within the Norilsk Nickel Group	
<p>NN BUs and the Company production divisions</p>	<p>Participate in stakeholder engagement, including local communities, and in implementing actions and initiatives to mitigate and manage the risks identified during stakeholder engagement.</p> <p>Participate in considering and resolving stakeholder complaints/requests within their functional responsibility area.</p>

6. Implementation Monitoring and Assessment

The Company undertakes the following measures aimed at monitoring and assessing the implementation hereof:

- 6.1. Monitors the implementation of the annual SEP and its results.
- 6.2. Reviewing activities for human rights protection in local communities when preparing non-financial reporting in accordance with the International Council on Mining and Metals (ICMM) guidelines.
- 6.3. Every three (3) years, the Company undertakes an independent verification of the reporting documents of the Company's major production divisions by evaluating the results of stakeholder engagement as per the standard of the International Council on Mining and Metals (ICMM) individually for each production department.

7. Reporting

7.1. The Company reports on its local community engagement activities in the Group's Sustainability Report and in the Company's Annual Report for the respective year, as well as in other non-financial reporting on economic, social and environmental performance in accordance with the Global Reporting Initiative (GRI) standards.

7.2. The Company strives to disclose information⁴ in accordance with the standards of the Initiative for Responsible Mining Assurance (IRMA) and the commitments imposed by its membership in the International Council on Mining and Metals (ICMM) and the other standards adopted by the Company.

7.3. The Company considers the UN Global Compact and the UN Guiding Principles on Business and Human Rights for reporting on its stakeholder engagement activities, including local communities.

8. Liability

Senior Vice President for HR, Social Policy and Public Relations is responsible for making timely amendments and addenda hereto.

9. General Provisions

This Policy is subject to a regular review by the Company's Board of Directors (at least every 5 years).

10. Terms, Definitions and Abbreviations

10.1. The following terms apply herein with their respective definitions:

10.1.1. **Norilsk Nickel Group** means PJSC MMC Norilsk Nickel and the Norilsk Nickel Group business units.

10.1.2. **Discrimination** means violation of rights, freedoms and legitimate interests of people and citizens, giving advantages based on one's gender, race, skin colour, nationality, language, ethnicity, property, family, social and official status, age, place of residence, attitude to religion, beliefs, membership or non-membership in public associations or any social groups, as well as other circumstances unrelated to the business qualities of an employee.

10.1.3. **Stakeholders** means individuals and legal entities, groups and associations and other organizations external to the Company, whose interests may be affected by the Company's activities, as well as the parties that may influence the Company.

10.1.4. **Stakeholder Engagement Plan** is a list of activities ensuring that stakeholder engagement is efficiently managed.

10.1.5. **Production Unit** means a division (mine, plant or factory, etc) carrying out production and business activities resulting in products and/or services with its own corporate structure.

10.1.6. **Underprivileged Communities** are any groups or part of the community with a higher risk of being discriminated against or being subject to other

⁴ Except for potentially sensitive information considered a trade or state secret, and information related to vulnerable groups and other stakeholders.

violations of rights, adverse impacts of economic crises, etc., as compared to other groups or the rest of the community.

10.2. The following abbreviations are used herein:

Group	Norilsk Nickel Group
NPO	Non-Profit Organisation
UN	United Nations
SEP	Stakeholder Engagement Plan
NN RBUs	Norilsk Nickel Group Russian business units
CTS	Corporate Trust Service
GRI	Global Reporting Initiative
ICMM	International Council on Mining and Metals
IFC	Environmental and Social Performance Standards (the Environmental and Social Performance Standards of the International Finance Corporation)
IRMA	Initiative for Responsible Mining Assurance
UNGP	United Nations Guiding Principles on Business and Human Rights
VPSHR	Voluntary Principles on Security and Human Rights