



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's Stakeholder Engagement Policy

1. Scope

This Stakeholder Engagement Policy of PJSC MMC Norilsk Nickel (hereafter referred to as the "Policy") outlines the commitment, principles, and responsibilities of PJSC MMC Norilsk Nickel (hereinafter referred to as the "Company") for stakeholder engagement.

The requirements of this Policy shall be mandatory for Company employees. The Policy provisions shall apply to all corporate business units of the Norilsk Nickel Group in which the stake of more than 50% is directly or indirectly owned by the Company. The Company also expects its contractors and suppliers to observe the principles and provisions of this Policy.

The Policy applies in all the regions where the Company is present, all stages of its production units' activities, including exploration, extraction, smelting, refining, manufacturing of finished products, marketing and sale of non-ferrous and precious metals.

2. Terms, Definitions and Abbreviations

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

2.1.1. **Stakeholders:** individuals and legal entities, as well as groups and associations and other organizations external to the Company whose interests may be affected by the Company's activities, as well as parties that may influence the Company¹.

2.1.2. **Artisanal and small-scale mining (ASM):** For the purpose of this Policy artisanal and small-scale mining (ASM) is generally understood to encompass a range of activities, including prospecting, exploration, extraction, processing and transportation, and use more simplified and manual labour-intensive technologies and

¹The Company shareholder and employee engagement is not part of the scope of this Policy.

practices than large-scale industrial mining. "Such activities are often connected with unlawful operations, with harsh working conditions and serious pollution. This is exemplified by the consequences to biodiversity, ecosystem services and health caused by the use of mercury in some processes".²

2.1.3. **Production unit:** divisions of the Company's subsidiaries (mine, plant, factory, etc.) involved in manufacturing the Company's products and rendering services, with their own organizational structure.

2.1.4. **Free, prior and informed consent (FPIC):** the right recognized in the UN Declaration on the Rights of Indigenous Peoples that enables indigenous peoples to grant or refuse their consent for the implementation of a project that may affect their interests or territories as well as cultural heritage. FPIC also enables indigenous peoples to agree on the terms and conditions under which a project affecting them will be planned, designed, implemented, monitored and evaluated. The rights of small indigenous peoples in the Russian Federation are guaranteed by the Constitution of the Russian Federation, Federal Law of 30.04.1999 N 82-FZ *On Guarantees of the Rights of Small Indigenous Peoples of the Russian Federation*, Federal Law of 07.05.2001 N 49-FZ *On Territories of Traditional Nature Use by Indigenous Small Peoples of the North, Siberia and the Far East of the Russian Federation*, the Land Code of 25.10.2001 N 136-FZ (Article 39.14), the Russian Government Order of 04.02.2009 N 132-p *On the Concept of Sustainable Development for Indigenous Small Peoples of the North, Siberia and the Far East of the Russian Federation*, as well as regional legislation.

2.1.5. **Vulnerable Groups:** any group or part of the community with a higher risk of being discriminated against or being subject to other violations of rights, adverse impacts of economic crises, etc., as compared to other groups or the rest of the community.³

2.2. The following abbreviations are used in this Policy:

CSR	Corporate Social Responsibility
ILO	International Labour Organization
UN	United Nations
SEP	Stakeholder Engagement Plan
FPIC	Free, prior and informed consent
NN RBUs	Norilsk Nickel Group Russian Business Units
NN BUs	Norilsk Nickel Business Units
SDGs	United Nations Sustainable Development Goals
EITI	Extractive Industries Transparency Initiative

² Source: <https://www.cbd.int/doc/c/52eb/c433/663faa870b3d7e9493e71dfb/sbi-02-04-add3-ru.pdf>

³ As defined by the World Health Organization (WHO).

ESG	Environmental, Social and Governance
GRI	Global Reporting Initiative
ICMM	International Council on Mining and Metals
IFC	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

3. General Information

The Company's stakeholder engagement activities aim to build mutually beneficial long-term relationships with stakeholders to ensure sustainable development and achieve results that meet the interests of the Company and the stakeholders.

The Company shall routinely monitor the Policy's implementation and shall undertake independent expert assessments of its stakeholder engagement activities. These assessments will review compliance with the current laws and regulations of the Russian Federation and applicable international law as well as the standards of industry associations and initiatives of which the Company is a member⁴.

The Company shall draft an annual Stakeholder Engagement Plan (hereafter referred to as the SEP).

4. Statutory Framework

4.1. The Company shall be guided by the federal and regional laws of the Russian Federation and recognized Russian⁵ and international standards⁶ regarding stakeholder engagement. The Policy is also aligned with the UN Universal Declaration of Human Rights, the UN Declaration on the Rights of Indigenous Peoples, the International Labour Organization's (ILO) Indigenous and Tribal Peoples Convention (No. 169), the UN Sustainable Development Goals (SDGs), International Finance Corporation's (IFC) Performance Standards on Environmental and Social Sustainability, the UN Guiding Principles on Business and Human Rights (UNGPs), the GRI and EITI reporting standards as well as the Voluntary Principles on Security and Human Rights (VPSHR). In its engagement with stakeholders, the Company will also observe the

⁴ This Policy was developed in accordance with the requirements of the International Council on Mining and Metals (ICMM) and the Initiative for Responsible Mining Assurance (IRMA).

⁵ Responsibility standard of the residents of the Arctic Zone of the Russian Federation for interaction with minor indigenous peoples of the Russian Federation residing and performing traditional economic activities in the Arctic zone of the Russian Federation (approved by Order No. 181 of 23.11.2020 of the Ministry for the Development of the Russian Far East).

⁶ IFC Performance Standards.

recommendations⁷ of international standards ISO 26000:2010 and AA1000SES (2015) and routinely undertake internal verification of compliance with these standards.

4.2. This Policy shall apply in conjunction with:

- PJSC MMC Norilsk Nickel’s Code of Business Conduct;
- PJSC MMC Norilsk Nickel’s Environmental Policy;
- PJSC MMC Norilsk Nickel’s Environmental Impact Assessment Policy;
- PJSC MMC Norilsk Nickel’s Regulation on the Information Policy;
- PJSC MMC Human Rights Policy;
- PJSC MMC Norilsk Nickel’s Indigenous Peoples’ Rights Policy;
- PJSC MMC Local Community Interaction Policy;
- PJSC MMC Norilsk Nickel’s Support for Small and Medium Enterprises Policy;
- PJSC MMC Norilsk Nickel’s Regulations on Charity Work.

5. Commitments and Principles

5.1. The Company shall build long-term relationships with the stakeholders based on respect and trust in order to achieve mutual benefit and welfare.

5.2. The Company shall take into account stakeholders opinions, maintain regular communication, request and provide feedback and consult with key⁸ stakeholders in good faith concerning issues related to the Company, including the ESG issues, etc.⁹

5.3. The Company seeks meaningful and transparent settlement of disagreements through dialogue.

5.4. The Company shall hold regular consultations with stakeholders in the form of a systematic and step-by-step interaction throughout the life cycle of the Company’s production units in order to prevent or minimize the adverse impacts, taking into account stakeholder opinions when making decisions that influence their lives and ensuring the timely feedback.

5.5. The Company shall disclose in a timely manner relevant information¹⁰ requested by stakeholders in accordance with the standards of the Initiative for Responsible Mining Assurance (IRMA), the commitments of membership with the International Council on Mining and Metals (ICMM) and the other standards accepted by the Company.

⁷ These standards are non-binding and do not require conformity certification.

⁸ Key stakeholders are stakeholders included in the SEP based on stakeholder analysis for systematic engagement.

⁹ Issues for stakeholder engagement under PJSC MMC Norilsk Nickel’s Environmental Policy, Human Rights Policy, Indigenous Peoples’ Rights Policy and Local Community Interaction Policy. Advice with regard to these issues is provided involving competent external experts as well as governmental, intergovernmental and non-governmental entities.

¹⁰ Except for the information pertaining to trade and state secret as well as the information potentially sensible for the underprivileged community sections and other stakeholders.

5.6. The Company shall systematically interact with all the key stakeholders listed in the SEP including host communities, representatives and associations of indigenous peoples, vulnerable groups and other stakeholder groups¹¹.

5.7. The Company confirms its readiness to ensure the implementation of the principle of free, prior and informed consent (FPIC) where applicable, according to the standards and recommendations of the International Council on Mining and Metals (ICMM)¹² and relevant procedures adopted by the Company.

5.8. The Company shall ensure that stakeholder opinions are submitted and explained to the Company’s executives in a manner that makes it possible to take appropriate and timely response action.

5.9. The Company shall maintain an equitable, accessible and efficient grievance mechanism for considering and taking remedial action on stakeholder complaints and grievances at both corporate and production units’ levels.

5.10. The Company does not employ child workers nor does it use forced labor or any forms of human trafficking prohibited by Russian laws. The Company takes account of the expectations of the product buyers, investors, associations and initiatives adhered to by the Company, as well as of the other stakeholders pertaining to the responsible sourcing of minerals and metals. This includes providing information as to the observance of the principles of responsible sourcing of minerals and metals verified by an independent third party into its non-financial statements.

6. Management

Management entity	Key responsibilities
1. Board of Directors	
Company’s Board of Directors	Adopts the PJSC MMC Norilsk Nickel’s Stakeholder Engagement Policy, as well as amendments thereto. Considers the annual management reports covering the results of stakeholder engagement. Approves the Company’s Sustainable Development Report.
PJSC MMC Norilsk Nickel’s Board of Directors Sustainable Development and Climate Change Committee	Monitors key stakeholder engagement regarding sustainable development and climate change as part of considering the Sustainable Development Report. Provides recommendations for the Board of Directors concerning the priority and strategic issues of stakeholder engagement.
2. Management Board	
Company’s Management Board	Reviews the Company’s Sustainable Development Report (prior to its approval by the Board of Directors).

¹¹ Including representatives of the artisanal and small-scale mining (ASM) in those presence regions where their activities are undertaken close to the Company’s production units.

¹² ICMM’s Indigenous Peoples and Mining: Good Practice Guide; ICMM’s Position Statement on Indigenous Peoples.

Management entity	Key responsibilities
PJSC MMC Norilsk Nickel's Management Board's Risk Management Committee	<p>Monitors the key risks identified in stakeholder engagement.</p> <p>Ensures that appropriate response measures are in place to address the said key risks.</p> <p>Drafts recommendations for PJSC MMC Norilsk Nickel's Management Board in relation to key risks identified while interacting with the stakeholders.</p>
3. Company's HQ Business Units	
Senior Vice President for Sustainable Development	<p>Develops, monitors, and coordinates the implementation of the Company's Sustainable Development Policy.</p> <p>Monitors internal procedures, policies, organizational structure, and business processes in the Company to ensure they meet international standards and comply with international associations' requirements and certification requirements in terms of sustainable development.</p>
Sustainable Development Department	<p>Coordinates the Policy's implementation.</p> <p>Implements stakeholder engagement in accordance with best practices and international sustainable development standards for positioning the Company as a reliable and responsible partner and world-class Russian entity.</p> <p>Coordinates stakeholder analysis efforts and identification of the key stakeholders to be included into the SEP.</p> <p>Drafts the annual SEP; monitors and evaluates its implementation.</p> <p>Monitors changes in legislation and recognized international stakeholder engagement standards to ensure compliance with legislation and these standards.</p>
Accounting, Taxation and Financial Reporting Department	<p>Undertakes financial evaluation of risks and opportunities relating to stakeholder engagement.</p> <p>Prepares and certifies the disclosed financial indices relating to stakeholder engagement.</p>
Treasury Department	<p>Assesses the impact of stakeholder engagement risks and opportunities on the availability of financial products and services to the Company and compliance with the requirements and expectations of financial institutions.</p>
Federal and Regional Program Department	<p>Participates in analyzing the feasibility of entering into partnership agreements with all the stakeholders within its area of responsibility and monitors their implementation.</p>

Management entity	Key responsibilities
	<p>Interacts with stakeholders regarding the implementation by the Company and NN RBUs of the federal and regional projects/programs.</p> <p>Participates in considering and taking remedial action on complaints/applications from stakeholders within its area of responsibility.</p>
Marketing Department	Evaluates the influence of risks and opportunities relating to stakeholder engagement on the Company's marketing activities.
Investor Relations Department	Evaluates the influence of risks and opportunities relating to stakeholder engagement on the Company's investment attractiveness and compliance with the investor requirements and expectations.
Environmental Department	Participates in stakeholder engagement on climate change, environmental issues including water management, biodiversity conservation, waste management, air, soil and tailings management, as far as environmental impacts are concerned.
Social Policy Department	<p>Participates in interactions on social policy and sustainable development issues, and stakeholder engagement in the regions of presence.</p> <p>Participates in considering and taking remedial action on complaints/applications from stakeholders within its area of responsibility.</p>
Risk Management Service	<p>Monitors the fulfillment of measures aimed at managing the key risks including those identified while interacting with the stakeholders.</p> <p>Develops overall corporate methodological approaches and principles with regard to risk management.</p> <p>Provides PJSC MMC Norilsk Nickel's Management Board Risk Management Committee with consolidated information on managing key risks including those identified while interacting with the stakeholders.</p>
Production Assets Department	<p>Identifies and arranges the management of the key risks capable of having an impact on the stakeholders within the PAD's responsibility area.</p> <p>Participates in managing the risks of stakeholder engagement within its area of responsibility.</p>
Public Relations Department	Interacts with the Company units when publishing information related to stakeholder engagement on the Company's corporate website.
Internal Control Department	Accepts complaints/applications related to stakeholder engagement received by the Corporate Trust Service

Management entity	Key responsibilities
	<p>(CTS), determines the authenticity, analyses and processes incoming information.</p> <p>Organizes and conducts audits of complaints/applications related to stakeholder engagement received as part of the CTS operation.</p> <p>Monitors the status of control activities carried out as a result of audits initiated by the CTS.</p> <p>Informs the heads of the Company's business units and 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, system-related flaws and violations detected through the CTS operation.</p>
4. Company units and Norilsk Nickel Group Business Units	
<p>NN BUs and Company's production units. In the Polar Division, the stakeholder engagement activities are carried out through the functional units.</p>	<p>Participate in stakeholder engagement and implementing measures and initiatives to contain and manage risks identified in stakeholder engagement.</p> <p>Participate in considering and taking remedial action on complaints/applications from stakeholders within their areas of responsibility.</p>

7. Monitoring and Evaluation of Policy Implementation

The Company will implement the following measures for the monitoring and evaluation of Policy implementation:

- 7.1. Monitor the implementation of the annual SEP and its results.
- 7.2. Carry out annual verification of the efficiency of sustainable development activities including stakeholder engagement for reporting in accordance with the requirements of ICMM, and other reporting standards adopted by Nornickel.
- 7.3. Commission an independent verification of reporting documents of the Company's major production units every three years, by evaluating the results of stakeholder engagement as per the standard of the ICMM individually for each of the Company's production units.

8. Reporting

8.1. The Company reports on its stakeholder engagement activities in the Company's Sustainable Development Report and Annual Report, as well as in other non-financial reporting on economic, social and environmental performance in accordance with the Global Reporting Initiative (GRI) standards.

8.2. The Company seeks to disclose the information regarding payments to the state authorities relating to the extraction, trade or export of raw materials in

accordance with the requirements of the Extractive Industries Transparency Initiative (EITI).

8.3. The Company takes account of the UN Global Compact and the UN Guiding Principles on Business and Human Rights in preparing the reporting documents on its activities on stakeholder engagement.

9. Responsibility

9.1. Responsibility for introduction of amendments and additions to this Policy lies with the Senior Vice President for Sustainable Development.

10. General Provisions

10.1. This Policy is subject to regular review by the Company's Board of Directors (every 5 years or before).