



NORNICKEL

PRESS RELEASE

Public Joint Stock Company «Mining and Metallurgical Company «NORILSK NICKEL»

(PJSC “MMC “Norilsk Nickel”, “Nornickel” or the “Company”)

NORNICKEL AND ROSATOM SIGN ADDENDUM ON ICEBREAKER SUPPORT

Moscow, July 23, 2021 - Nornickel, the world’s largest producer of palladium and high-grade nickel and a major producer of platinum and copper, and Russian state nuclear company Rosatom have signed an addendum to their 2018 icebreaker cooperation agreement.

The addendum will be effective until 2030, and cements the strategic partnership between the two companies. With regard to their mutual interests, the parties intend to continue cooperating on providing uninterrupted and environmentally safe icebreaker support for vessels navigating the Northern Sea Route.

The addendum envisages a broader partnership framework to meet the planned increase in Nornickel’s freight traffic along the Northern Sea Route. The Company is ramping up its shipping volumes to prevent delays in its strategic investment projects in the Norilsk Industrial District, including the Sulphur Programme, Nornickel’s key environmental initiative.

As one example, Rosatom will extend the icebreaker support period for Nornickel vessels. Taymyr/Vaygach type nuclear-powered icebreakers are currently used from January to May, and under the addendum, they will now escort vessels from November to May.

The addendum was signed by Sergey Dubovitsky, Nornickel Senior Vice President Strategy, Strategic Projects, Logistics & Procurement, and Kirill Komarov, Rosatom First Deputy Director General for Corporate Development and International Business.

“For several decades now, Rosatom and Nornickel have been successfully cooperating to enable icebreaker escorts for cargo ships along the Northern Sea Route. The extension of our agreement until 2030 clearly shows that the profitability of Arctic projects is linked to the efficiency of the nuclear-powered icebreaker fleet. In the coming years, we will be offering our partners reliable services at predictable prices,” commented Kirill Komarov.

“Nornickel has historically carried its freight along the Northern Sea Route, which makes it one of the oldest companies to do so. Today, the Company is witnessing a new phase in its development. Our new ambitious projects, such as those related to production modernisation, environmental improvements and the Norilsk upgrade, require not only sizeable investments, but also robust infrastructure, including in transportation. The nuclear-powered icebreaker fleet, which has been our traditional and reliable partner for over half a century, will make direct contributions to these changes. We are pleased to expand our partnership with Rosatom and are convinced that it will not only accelerate the progress of Nornickel’s plans, but will also have a positive impact on the federal programme to develop the Russian Arctic,” said Sergey Dubovitsky.

Additional agreements are planned to be signed as a follow-up to this addendum. They will cover comprehensive icebreaker support services to be provided by nuclear-powered Project 22220 icebreakers over a period of 15 years at a fixed price denominated in Russian roubles, subject to annual indexation based on the inflation rate for the previous year and with an option to extend the respective contract for two periods of 10 years each on a take-or-pay basis.

As part of this partnership, Federal State Unitary Enterprise Atomflot is expected to operate Nor Nickel's future icebreaker fuelled by diesel and LNG. The parties will also consider a joint project to build a new icebreaker as an alternative to a Taymyr/Vaygach type icebreaker due for retirement, while also discussing an opportunity to create a port icebreaker fleet to replace the Dudinka port icebreaker owned by Nor Nickel.

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 and South Africa.

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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