



Moscow, 6 August, 2020 — Norinickel, the world's largest producer of palladium and high-grade nickel and a major producer of platinum and copper, continues to streamline its organizational structure, with the Group's core operations will be grouped into three divisions — Norilsk, Kola and Trans-Baikal. The Management Board approved new structure on August 5th.

These three divisions represent Norinickel's three key production sites in Russia. The divisions will combine the Group's facilities located in the respective regions involved in core operations (mining, metallurgical) and all auxiliary activities (energy supply, service and repairs, etc.), including those which do not directly support core operations. The current legal structure of the Group's subsidiaries will remain unchanged. The corporate head-office will retain control over Group-wide business lines (such as HR, finances, legal and security) as well as continue to oversee operations, logistics, sales and distribution and strategic projects.

Nikolay Utkin, Director of Polar Division, will become the head of the new Norilsk Division. He will be also appointed Senior Vice President.

Evgeny Borzenko, CEO of Kola MMC, will become the head of the new Kola Division. Finally, Trans-Baikal Division will be led by Alexander Popov, currently the CEO of Bystrinsky GOK. Both Evgeny Borzenko and Alexander Popov will be also appointed Vice Presidents.

The adoption of the division-based model has become feasible following the successful consolidation of service functions in a shared services centre and thanks to the high level of maturity and automatization of business processes, which have been achieved by the management team over the recent years.

The adoption of the new organizational structure will make be an important addition to the actions taken earlier in response to the recent environmental incidents. With the bolstered environmental functions and the newly-established risk committee chaired by the Company's President, formation of the divisions is expected to strengthen responsibility as well as operating and investing authority of their management while the head office retains its strategic competence.

The investment project management system will be revised to enhance disciplined implementation of investment programme, with an increase in investment limits for production facilities.

"The new division-based system paves the way for remarkably better corporate governance by spurring decision-making at production sites and raising the responsibility of their leadership. Divisions will bear comprehensive operational responsibility for production, infrastructure, financial performance, and risk management within their remit," said Norinickel's President Vladimir Potanin.

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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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