

APPROVED
by the Board of Directors
of OJSC MMC Norilsk Nickel
on 20 January, 2015 No.GMK/1-pr-sd

POLICY

**on Development and Approval of Vote Recommendations on Candidates
Nominated to Board of Directors of OJSC MMC Norilsk Nickel**

1. General Provisions

1.1. This Policy on Development and Approval of Vote Recommendations on Candidates to the Board of Directors of OJSC MMC Norilsk Nickel (hereinafter - "**Company**") (hereinafter - "**Policy**") outlines the main principles and the procedure of development by the Board of Directors of recommendations regarding voting at the Company's general shareholder meetings on the item of election of members of the Board of Directors.

1.2. The Policy has been developed in accordance with the Company's internal documents, provisions of the Corporate Governance Code recommended for application in a letter of the Bank of Russia dated April 10, 2014, № 06-52/2463, as well as based on best Russian and international corporate governance practices.

1.3. The Policy applies to all candidates proposed for election to the Company's Board of Directors (hereinafter - "**Candidates**").

2. Purpose and Goals

2.1. The purpose of this Policy is to improve the effectiveness of the performance of the Board of Directors via introduction of a structured and transparent mechanism for evaluation of Candidates and the procedure of approval of vote recommendations with respect to election of the Company's Board of Directors at the Company's general shareholder meetings.

2.2. The goals of the Policy are as follows:

2.2.1. Implementation of recommendations on improvement of the effectiveness of the performance of the Board of Directors, made based on the results of an evaluation of the performance of the Board of Directors;

2.2.2. Ensuring an effective method of communication with the Company's key shareholders;

2.2.3. Attracting and properly motivating professionals with experience and skills necessary to serve on the Company's Board of Directors;

2.2.4. Specification of recommended minimum qualification requirements for Candidates;

2.2.5. Ensuring transparency of the Candidate evaluation procedure; and

2.2.6. Defining the procedure of preparation of recommendations regarding voting at the Company's general shareholder meetings on the item of election of members of the Board of Directors, reflecting the Board of Directors' cogent position regarding the Candidates.

3. Skills, experience, independence and knowledge required on Board of Directors

3.1. Exact skills, experience, independence and knowledge required on the Board of Directors are identified in the process of an annual evaluation of the performance of the Board of Directors and are outlined in a report on the evaluation of the Board of Directors' performance, which is reviewed by the Board of Directors.

3.2. The report shall, in particular, contain the following information:

3.2.1. Correspondence of the structure of the Board of Directors to performed functions;

3.2.2. Recommendations on reelection of members of the Board of Directors;

3.2.3. Professional knowledge and skills required of new members of the Board of Directors;

3.2.4. Requirements and recommendations regarding the number of independent members (as defined in the Company Charter) of the Board of Directors; and

3.2.5. Diversity requirements, including gender, age, etc.

3.3. Chair of the Board of Directors brings information included in the report on the evaluation of the Board of Directors' performance and outlined in points 3.2.1-3.2.5 above to the attention of the Company's shareholders who, in accordance with the current law of the Russian Federation, have the right to nominate Candidates for election to the Board of Directors.

3.4. Upon an official request by one or more shareholders who have the right to propose Candidates for election to the Board of Directors, the Corporate Governance, Nomination and Remuneration Committee may hire professional consultants to conduct a joint search of Candidates who meet the identified needs and requirements of the Board of Directors. The Company will cover the costs of hiring the consultant, including payment for the consultant's services.

3.5. Full and exact determination of skills, experience, independence and knowledge required on the Board of Directors is a prerequisite for preparation of vote recommendations regarding the Candidates.

4. Nomination of Candidates

4.1. In accordance with the current legislation of the Russian Federation, the exclusive right to propose candidates for election to the boards of directors of joint stock companies incorporated in the Russian Federation belongs to a shareholder or shareholders who control(s), in aggregate, no less than 2 (two) percent of a joint stock company's voting shares.

4.2. In accordance with the Company's charter, the list of candidates to the Board of Directors proposed by (a) shareholder(s) shall be delivered to the Company within ninety (90) days after the end of the fiscal year.

4.3. Following the timeframe mentioned in point 4.2 above, the Corporate Secretary ensures compliance of provided information with the requirements of current legislation and finalizes the list of Candidates nominated by shareholders to the Company's Board of Directors.

5. Development of Vote Recommendations

5.1. In accordance with the requirements of point 8.3 of the Company charter, the Board of Directors presents to shareholders its recommendations with respect to voting on the Candidates.

5.2. In order to improve the effectiveness of decision-making by shareholders, the number of recommendations made by the Board of Directors should correspond to the number of seats on the Company's Board of Directors.

5.3. Taking into account that the number of Candidates may be higher than the number of seats on the Board of Directors, the Corporate Governance, Nomination and Remuneration Committee

evaluates the Candidates in order to identify the ones who best fulfil the identified needs and requirements of the Board of Directors.

5.4. Each of the Candidates is evaluated individually, taking into account the identified needs and requirements of the Board of Directors.

5.5. Incumbent members of the Board of Directors, recommended for reelection to the Company's Board of Directors based on the results of the evaluation of the performance of the Board of Directors, are evaluated first.

5.6. All Candidates recommended for election shall meet the minimum qualification requirements set out in Appendix №1 to this Policy, which constitutes the Policy's integral part. In certain circumstances, the Corporate Governance, Nomination and Remuneration Committee may recommend Candidates who formally do not meet the minimum qualification requirements, but possess personal and professional qualities required to serve on the Company's Board of Directors.

5.7. In order to be classified as an independent candidate to the Company's Board of Directors (as defined by the Company charter), the Candidate shall fulfil the independence requirements set out in the Company charter.

5.8. Based on the results of the evaluation of all Candidates, the Corporate Governance, Nomination and Remuneration Committee prepares recommendations regarding voting at the Company's general shareholder meetings on the item of election of members of the Board of Directors.

5.9. The Board of Directors reviews and approves the proposed vote recommendations on election of the Company's Board of Directors.

5.10. Board of Directors' recommendations on election of the Company's Board of Directors shall be included in the materials for the Company's general shareholder meeting.

6. Information Disclosure

6.1. The Corporate Governance, Nomination and Remuneration Committee conducts an annual review of this Policy, assesses its adequacy and completeness and makes any necessary changes, which are subject to approval by the Board of Directors.

6.2. This Policy is published on the Company Web site: <http://www.nornik.ru>.

Appendix №1

RECOMMENDED MINIMUM QUALIFICATION REQUIREMENTS FOR CANDIDATES NOMINATED FOR ELECTION TO THE BOARD OF DIRECTORS OF OJSC MMC NORILSK NICKEL

Here are the minimum qualification requirements for candidates nominated for election to the Board of Directors of OJSC MMC Norilsk Nickel (hereinafter “Candidates”):

- Impeccable personal and professional reputation and no criminal record;
- High level of professional qualification, including relevant degree level and adequate professional experience enabling effective and efficient discharge of the duties of a member of the Board of Directors. The Candidate must meet at least one of the following criteria:
 - Board membership in publicly listed companies;
 - Proven track record in top management positions in large enterprises, which led to the objective achievement of meaningful results;
 - Successful top executive or partner level experience in large international investment companies, consultancies or audit companies;
 - Experience working in one of the leading educational establishments, characterized by a high international ranking, number of departments, staff, etc.;
 - Recognized relevant experience in high-ranking government positions;
 - Active participation in the development of large non-governmental organizations, including top governance positions, membership in advisory boards, etc.
- Personal interest in serving on the Company's Board of Directors:
 - Profound understanding of the industry and the Company's background and history;
 - Availability and commitment to serve as a member of the Board for no less than 3 (three) years.
- Knowledge and understanding of all legal responsibilities related to board service;
- Financial literacy and sound understanding of business strategy and operations;
- No conflict of interest in any form or at any stage;
- Independence in thought and judgment reflected in professional reputation and recommendations;
- No more than 4 (four) other board memberships in public companies.

This Attachment forms an integral part of the Policy on Development and Approval of Vote Recommendations on Candidates to the Board of Directors of OJSC MMC Norilsk Nickel.