

APPROVED

by resolution of the Board of Directors of
of PJSC MMC Norilsk Nickel
dd. December, 27, 2017 No. GMK/42-pr-sd

Renewable Energy Sources Policy

General information

PJSC MMC Norilsk Nickel (Company or Nor Nickel) hereby declares its commitment to sustaining its use of primary energy resources with renewable sources, preserving or lowering the overall consumption of energy and improving energy efficiency. The Company continuously seeks to: reduce consumption of energy sources such as natural gas, diesel fuel and coal; secure reliable, low-cost, and low-carbon sources of energy in the long-term.

In 2016 the share of energy from renewable sources (hydroelectric power plants) amounted to 25% for the Norilsk Nickel Group of Companies and 38% for the Polar Division. This figure is expected to grow in the future. Usage of any other renewable sources such as solar, geothermal or wind energy is hardly possible in weather conditions of Polar Circle, where main Nor Nickel main productive assets are situated. JSC NTEK, an affiliate of Nor Nickel, provides electricity, heat, and water supply to the local residents and production units of Nor Nickel located in the Norilsk Industrial Area. JSC NTEK owns and operates a total of five generating assets: three cogeneration plants (TETs1, TETs-2, TETs-3) and hydroelectric power plants (Ust-Khantaiskaya and Kureyskaya).

Scope

This Policy extends to each production and process stage: prospecting and exploration, mining, concentration, refining, output of finished products, marketing and sales of non-ferrous and precious metals; as well as to initiatives to shut down mining enterprises, production stages of the Company and its affiliates in each area of operations. The Company is putting all the required and reasonable efforts to pursue the cornerstone principles and provisions of this Policy in every affiliate company of Nor Nickel. To the extent feasible the Company

expects its contractors to comply with the core principles and provisions of the Policy.

Responsibility and Oversight

Senior Vice President – Non-Core Assets and Energy supervises the use of renewable energy sources and regularly reports to the Management Board of the Company. This Policy was approved by the Board of Directors and is periodically reviewed to assess the fuel-energy balance of the Company, analyze cutting edge international standards and to take them into account in decision-making.

Renewable Energy Sources Strategy

In 2015 Nor Nickel developed the Fuel and-Energy Complex Development Strategy to improve efficiency in terms of fuel and energy consumption and to ensure stable energy supply of Norilsk Nickel Group of Companies in the long term.

The Strategy forms the basis of the Company's Renewable Energy Sources Program and provides for various production development scenarios, which allows Nor Nickel to adapt its plans to expand generating capacities to the production development plans and requirements established by the authorities.

Commitments

Nor Nickel makes a commitment to use renewable energy sources.

The Company commits to implement power generation and efficiency improvement projects with the currently available power plants and to develop new renewable sources of energy in line with the government policy for improvement of energy efficiency in the power generation sector based on renewable sources. Hydroelectric is the priority source of renewable energy for the Company.

In short and medium term Nor Nickel strives to focus on modernization projects with the currently available capacities, which power the core production facilities of the Company in Norilsk.