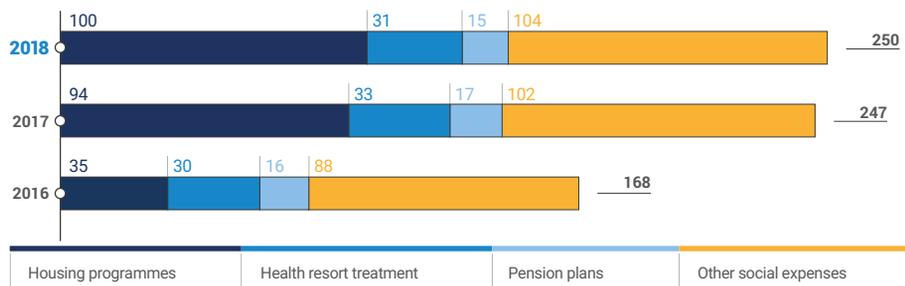


Social programmes for employees

HEALTH IMPROVEMENT PROGRAMMES

Social programmes for employees (USD mln)



The harsh climate of the Far North and the heavy working conditions of the mining facilities require that the Company make extra investments in health programmes for employees and their families. Health resort treatment programmes are a key priority in Nornickel’s social policy.

In 2018, about 11,000 employees and their families had recreation and treatment in Zapolyarye Health Resort (Sochi). Some 12,300 people spent their vacations in other health resorts, including approximately 4,400

employees who travelled to Bulgarian resorts and about 1,700 staff members who went to Hainan (China). The Company compensates their employees an average of about 85% of the trip voucher cost.

The health resort treatment programme is designed to prevent the development of chronic diseases among the employees’ children and give them an opportunity to take full advantage of their summer vacations. As part of this initiative, about 1,500 children spent their holidays in Anapa and Golden Sands (Bulgaria).

SPORTS PROGRAMMES

Healthy lifestyle is one of the focus areas in the personal growth of the Company’s employees facing the harsh climate of the Far North. Sports programmes seek to promote a healthy lifestyle, foster team spirit, improve interpersonal communication and develop corporate culture.

The Company pays special attention to corporate competitions, including the employees’ popular sports such as futsal, volleyball, basketball, alpine skiing, snowboarding and swimming. Family sports contests are yet another focus area. One of Nornickel’s social policy highlights is the support of amateur sports.

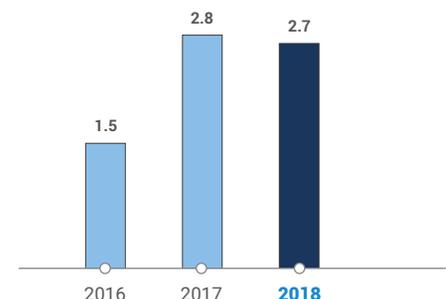
To ensure further development of amateur hockey, in 2018, the region of Norilsk hosted the Night Hockey League games as part of Conference North with eleven teams including the Company’s employees taking part in the event.

Events for local communities include annual Spartakiads and various mass sports events engaging the Company’s employees, their family members and the region’s community.

In 2018, about 27,000 employees and local residents took part in the corporate mass sports events, spartakiads and sports

initiatives held by the Company’s facilities and Russian entities in the Norilsk Nickel Group.

Sports expenses (USD mln)



HOUSING PROGRAMMES

In 2018, the Company continued implementing the Housing Programme Policy adopted in 2017. To optimise the effort, two housing programmes, Our Home and My Home, were merged into one, Our Home / My Home, featuring better terms of participation and a broader coverage of the Group's companies. Since the launch of the programme back in 2010, the Company has purchased 3,826 apartments.

As part of the Our Home / My Home programme, Nornickel purchases ready-for-living apartments in various Russian regions at its own expense, and provides them to eligible employees under co-financing agreements. Apartments are usually purchased in the Moscow and Tver Regions, as well as in the Krasnodar Territory, with the Company seeking to buy properties located in close proximity to enhance the employees' living standards

by developing additional infrastructure and optimising the scope of maintenance tasks assigned to the property management company.

The Company pays up to half the cost of the apartment of about USD 47,000 (but in any case no more than RUB 3 mln), with the rest paid by the employee within a certain period of employment with the Norilsk Nickel Group (from five to ten years). The cost of housing remains unchanged for the entire period of the participation. Title is registered at the end of participation in the programme, but the employee may move in immediately after receiving the apartment.

The Company also runs the Corporate Social Subsidised Loan Programme for Employees of Nornickel that was phased from a pilot to an ongoing project. This programme was developed

primarily as a tool to retain highly qualified staff, with employees at Polar Division and Kola MMC entitled to an interest-free loan to make a down payment and to a reimbursement of a certain share of interest on their mortgage loan. Overall, more than 200 employees took part in the programme.

Since 2010, the Company has purchased

3,826 apartments

under My Home / Our Home housing programme

PENSION PLANS

Nornickel offers its employees non-governmental pension plans. Under the Co-Funded Pension Plan, the Company and its employees make equal contributions to the plan. The Complementary Corporate

Pension Plan provides incentives for pre-retirement employees with considerable job achievements and an extensive employment record.

Pension plans coverage

Item	2016	2017	2018
Co-Funded Pension Plan			
Financing, USD mln	7.8	8.6	7.7
Participants, thousand people	17.3	15.7	13.9
Complementary Corporate Pension Plan			
Financing, USD mln	6.7	8.5	6.7
Participants, people	614	718	545

SOCIAL INVESTMENTS

Relocation programme

In 2018, Nornickel and the Government continued joint implementation of a long-term target programme to relocate people from Norilsk and Dudinka (Krasnoyarsk Territory) to Russian regions with more favourable climatic conditions. Introduced in 2011, this ten-year programme provides

for 11,265 families (or 1,126 families per year) residing in Norilsk and Dudinka to be relocated from these municipalities as entitled to housing subsidies.

The Company acts as a programme sponsor. The programme budget totalled RUB 8.3 bn. Since the programme launch,

the Company has transferred to the local budget a total of USD 183 mln (RUB 7 bn), including USD 13,2 mln (RUB 830 mln) in 2018. In 2011–2018, 7,107 families purchased new homes on the “mainland” and moved there, including 5,847 families from Norilsk and 1,260 families from Dudinka.

Relocation programme results

Item	2011	2012	2013	2014	2015	2016	2017	2018	Total
Company contribution, USD mln	39	28	27	26	22	14	14	13	183
Total apartments purchased as at 31 December	1,137	1,013	1,199	1,038	908	627	652	533	7,107

Support for local communities

The Company makes a significant contribution to the development of local communities and runs social programmes and projects. These initiatives are focused on securing an accessible and comfortable living environment, providing environmental protection and supporting local communities. The Company rolls out its programmes and projects both independently and in partnership with local authorities, regional and federal government bodies, non-profit organisations, public organisations and professional associations.

In addition, the Company supports platforms enabling an exchange of views by representatives of government, business and society as well as facilitating a constructive dialogue on matters crucial for the regional economy, business activities and social life. The fact that two regions of the Company’s operations are located along the nation’s borders (the Murmansk Region and the Zabaykalsky Kray) and two are included in the Russian Arctic (the Krasnoyarsk Territory and the Murmansk Region) makes forums, conferences and other similar events a vital driver for developing the regions both socially and economically, attracting

investments, generating solutions for matters related to environmental protection, development of the Arctic fleets, ports and navigation along the Northern Sea Route. At the end of the day, these activities help integrate the regions into an economic space, both with the Arctic countries and with the rest of the world.

As part of the Year of Volunteer in Russia in 2018 under Presidential Executive Order No. 583 dated 6 December 2017, Nornickel

and the city administrations in Krasnoyarsk, Norilsk, Chita and Monchegorsk entered into a number of cooperation agreements to support the volunteer movement, implement the state policy related to the development of free will activity and volunteering, as well as encourage participation in charitable and voluntary activities. The agreements resulted in agreed and implemented action plans to promote volunteering in the regions where the Company operates.

The Company makes a significant contribution to the development of **local communities**

Nornickel and the city administrations in Krasnoyarsk, Norilsk, Chita and Monchegorsk entered into **a number of cooperation agreements**

Support of indigenous peoples

Nornickel recognises the right of indigenous northern minorities to preserve their traditional way of life, stick to the age-old environmental management practices and have decent living conditions. The Company adopted the Indigenous Rights Policy that defines Nornickel's key commitments in this aspect. In 2018, there was no record of the Company violating the rights of indigenous minorities. The Company's representatives are also members of indigenous northern minority commissions organised by local authorities.

For several years now, the Company has been supporting initiatives to improve living standards of the Taimyr Peninsula's indigenous people. 2018 saw further implementation of the Comfortable Taimyr project, under which the Company will

invest to construct 2,300 sq m of housing in the Tukhard settlement, where indigenous people live.

In an attempt to preserve national traditions and culture of indigenous Northern minorities, the Company participates in staging annual authentic festivals for tundra inhabitants on the occasion of the Reindeer Herder's Day and the Fisherman's Day and provides presents and prizes for the winners in various competitions. To that end, the Company purchases items that enjoy the greatest popularity among locals, including tents, gasoline power generators, household equipment, outboard motors, inflatable boats, GPS navigators, sleeping bags, binoculars, etc. The Company also offers regular financial help to public Taimyr-based organisations.

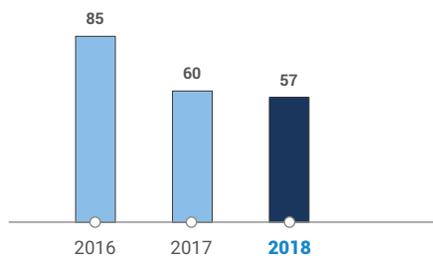
To ensure the sustainable development of the Taimyr region, the Company provides assistance to indigenous peoples of the North, including by helping to organise air transportation and supplying construction materials and diesel fuel.

Children of reindeer herders in the Tukhard tundra are provided with comprehensive meals as part of the Food Programme carried out in association with the Dudinka Department of Education. In line with the effective agreements, foods for the local hospital and primary school are supplied by Norilskgazprom's Procurement Unit at below-market prices.

INFRASTRUCTURE DEVELOPMENT

Nornickel is actively involved in the development and renovation of social infrastructure across its footprint, looking to create accessible and comfortable environments for the work and life of the Company's employees.

Financing of development and innovation of social infrastructure (USD mln)



Given the high importance of the XXIX International Winter Universiade to be held in 2019 in Krasnoyarsk, in 2018 the Company focused its key efforts on performing the cooperation agreement signed between MMC Norilsk Nickel and Krasnoyarsk municipal authorities and intended to improve the city landmarks. Pursuant to the agreement, Nornickel was heavily involved in a number of large-scale projects implemented as part of the public-private partnership to prepare the city for hosting athletes and guests.

The Kommunalny Bridge over the Yenisey River saw the launch of an architectural lighting. The left embankments of the Yenisey River and the Kacha River along with their adjacent territories were improved.

A park area (the Bobrovoy Ostrov) was created on the adjacent territory to the Bobrovoy Log Fun Park

on the Bazaikha River, the venue of the XXIX International Winter Universiade in 2019. The park area boasts sports and playgrounds, walkways, bike lanes, recreation areas, and a foot and bike bridge across the Bazaikha to make the park accessible for people with limited mobility. The access roads to the Bobrovoy Log Fun Park are provided with decorative noise barriers and planted large trees.

In 2018, the Company's spending on Krasnoyarsk redevelopment totalled about USD 5.6 mln (RUB 351 mln).

In 2018, Nornickel continued its work to upgrade the civil section of Norilsk Airport in accordance with the memorandum of intent signed by MMC Norilsk Nickel and the Federal Air Transport Agency under the Russian Transport Development Federal Programme. In 2018, the third stage of the airport reconstruction was

Lighting of the bridge over the Yenisey River



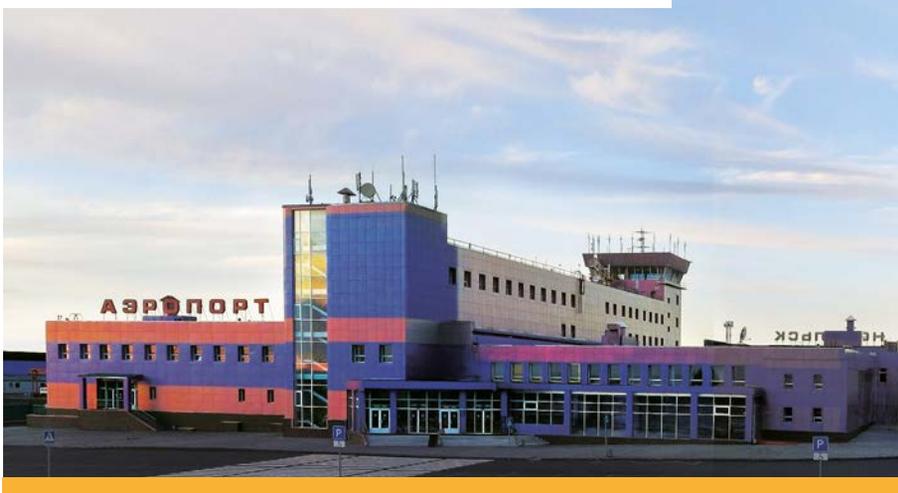
completed. The construction period saw the renovation of the 1,081-meter runway, the upgrade of a taxiway, the partial repairs of the pavement in the apron for civil aircraft, installation of a drainage system, new light signalling and meteorological equipment, partial reconstruction of power

supply facilities, and installation of flight radio equipment. Today, the upgraded runway meets the latest flight safety requirements. On 21 September 2018, the airport received a certificate of compliance from the Federal Air Transport Agency.

In 2018, Nornickel and the Zabaykalsky Kray Government continued performing the cooperation agreement, which serves as the basis for the Company to provide USD 6.2 mln (RUB 430 mln) for the following social projects of the Zabaykalsky Kray Government and municipalities:

- launched Quantorium, a science park in Chita, at the Company's discretion; upgraded rooms and premises of the Junior, children and youth centre for engineering; provided state-of-the-art equipment for the science park to run ship-building, aircraft engineering and IT projects;
- completed socially important infrastructure projects in the territory of 34 municipalities as part of the Zabaykalsky Kray of the Future and Successful School projects;
- continued refurbishment of the Dekabristov Square in Chita, with the Zabaykalsky Kray Walk of Fame opened in Bagulovaya Alley to immortalise the names of the region's prominent residents;
- financed loft platform in the Chita centre to become a multi-purpose platform for creativity development;
- financed initiatives as part of Creating a Comfortable Urban Environment, a top priority project.

Norilsk Airport reconstruction



SUPPORT FOR SPORTS PROJECTS



Our support for sports has been increasingly broad-based and comprehensive as we extend our efforts beyond financing occasional events to invest in sports facilities, new schools, sports grounds and mass events promoting fitness and healthy lifestyles.

As part of this effort, the Company sponsored the second Norilsk Nickel Cup – New Hopes, an inter-regional football tournament organised by the Football Union of Russia and MMC Norilsk Nickel. The competition took place in the Krasnoyarsk and the Zabaykalsky Kray, the Murmansk Region and Norilsk, bringing together 96 teams and over 1,100 young players.

Nornickel also supported the Futsal to Schools programme in the Zabaykalsky Kray, involving 63 schools in Chita and the Gazimuro-Zavodsky District. The schools received gym equipment, gear, uniforms, and education materials for sports teachers. One of the project's key goals is to identify gifted children for further training.

GOVERNMENT RELATIONS

The Company interacts with federal legislative and executive authorities, and civil society institutions. The Company is represented and expresses its interests in 21 committees, councils, commissions, expert teams, and working groups established by government bodies in association with the business community, thus supporting socially important projects. Currently, the Company mainly cooperates with the working groups and councils of the State Commission for Arctic Development and the Government Commission on the Use of Natural Resources and Environmental Protection.

The Company also actively participates in the work of regional authorities' expert boards across its geographies including the Governor's Council for Strategic Development and Priority Projects of the Krasnoyarsk Territory.

Representatives of the Company take part in parliamentary sessions and round table discussions organised by the Federation Council and State Duma of the Federal Assembly of the Russian Federation, Government of the Russian Federation, Russian Union of Industrialists and Entrepreneurs, Chamber of Commerce

and Industry of the Russian Federation, Association of Managers (an interregional public organisation), etc.

The Company's experts engage in draft regulation discussions held by the Open Government and by community councils of the federal executive bodies, as well as in anti-corruption due diligence and regulatory impact assessments. All of that helps maintain a constructive dialogue with the government, cut red tape and improve the nation's business climate.

WORLD OF NEW OPPORTUNITIES CHARITABLE PROGRAMME

The programme has three focus areas:

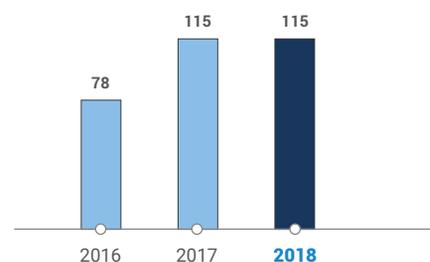
**Partnership
 Innovations
 Development**



The Company runs World of New Opportunities, a charitable programme to encourage and promote sustainable development of local communities. The programme primarily aims to develop soft skills in local communities, demonstrate and introduce new social technologies, support and promote public initiatives, and encourage cross-sector partnerships.

In 2018, after the commissioning of Bystrinsky GOK in the Zabaykalsky Kray, the World of New Opportunities geography expanded to cover the Gazimuro-Zavodsky District which now hosts Nornickel's Socially Responsible Initiatives Competition, Arctic.PRO R&D marathon and School of Urban Competencies.

Charity expenses (USD mln)



Partnership



This area focuses on supporting volunteer initiatives of local activists, fostering new skills and developing local expertise.

In spring 2018, the Company initiated the We Are the City! social technologies forum in Norilsk and Monchegorsk to bring together local communities, inform them of the new trends and best practices in charity and volunteering, and share successes in solving social issues. In the lead-up to the forum, locals got a chance to meet a wide range of experts who imparted their ideas on upbringing children, finding your own way in life, personal development, etc. The forum venues were attended by a total of 1,500 people.

On the Company Day, Nornickel traditionally stages the We Are the City! PicNick event in Norilsk, Monchegorsk and Zapolyarny. PicNick is a festival "for a good cause" organised by local activists and participants

of the World of New Opportunities programme (winners of the Socially Responsible Initiatives Competition and socially minded entrepreneurs) and Plant of Goodness corporate volunteer programme. It ran as a street festival with a project fair, workshops, training sessions, etc. For the first time, PicNick was held in Chita on the Miner's Day.

All events arranged by the Company served to raise charity awareness in local communities and encourage public-private partnerships. In 2018, the Socially Responsible Initiatives Competition, which aims to support public initiatives, received 426 project bids, 116 of which were approved for funding. The grant fund totalled USD 2 mln (RUB 125 mln).

Innovations



This area focuses on facilitating the introduction of advanced technologies, fostering R&D potential and encouraging innovation in engineering. Its target audience are schoolchildren, university students and adult activists interested in science and frontier technologies.

For the fifth year in a row, the Company hosted the Arctic.PRO R&D marathon aiming to encourage R&D creativity, innovations in engineering and thirst for knowledge among children and young people. 1,600 students aged 12 to 15 took part in the marathon, while 25 more children attended the Winter R&D School in Yekaterinburg.

For the fourth year running, the Company was a general partner of the All-Russian Science Festival held by Moscow State University. Importantly, Murmansk was selected for the first time as the event's central regional venue. In two days, the festival was attended by 3,500 people, with 50 venue organisers helping to stage it.

In 2018, we kicked off the I Make competition for young inventors. Schoolchildren from across the cities where the Company operates sent their inventions to take part in the contest. Of the 103 bids received by the organisers, eight best projects were selected to compete at the International Young Inventors Award in Indonesia, where Nornickel's delegation won 3 gold and 3 silver medals.



Development



This area focuses on engaging active citizens and SMEs to address social issues of local communities using available business technologies.

One of the Company's initiatives was to provide training in Social Entrepreneurship. With assistance and guidance from experienced coaches (active businessmen), trainees are expected to develop business plans and present them at the Investment Session. The session saw the graduates submit some 24 business projects, with four of them awarded interest-free business loans from the Company.

In 2018, Nickel hosted the second Convention of Social Entrepreneurs from the North attended by 150 active and would-be social entrepreneurs. The convention provided a platform to discuss trends, prospects and measures to support social entrepreneurship

in the Polar regions and analyse relevant national and international best practices. In the run-up to the event, experts and participants from other regions took part in a quest to learn more about social entrepreneurship in the Pechengsky District.



SPONSORSHIP



Rosa Khutor Ski Resort

In 2016–2019, Nornickel will invest USD 250.5 mln in the development of the Rosa Khutor ski resort as part of the programme to support mass sports in Russia. The funds will be used to develop new ski pistes and lifts and build new recreational and sports facilities, helping to transform the Olympic resort into a year-round tourist attraction. By way of consideration, Nornickel was granted a minority stake in the Rosa Khutor project.



Russian Olympic Committee

As a partner of the Russian Olympic Committee and the Russian Olympic team, Nornickel supports youth and high performance sports, among other things, by facilitating the implementation of Olympic educational programmes developed by the Russian International Olympic University.

Another area of cooperation between the Company and the Russian Olympic Committee is the inclusion of Nornickel's regions of operation in the pan-Russian Olympic Patrol project. In 2018, the Olympic Patrol visited Krasnoyarsk and Chita, giving local children a chance to meet renowned athletes who shared their personal Olympic experiences, took part in autograph and photo sessions, and held workshops and fitness tests.

The Company sponsored the Russian Youth Olympic team, which delivered a strong performance at the 3rd Summer Youth Olympics in Buenos Aires.

We also helped organise the 29th National Olympic Day, a sports festival hosted by 80 cities across Russia to promote healthy lifestyle, mass fitness and sports.

Financing of sports projects (USD mln)



Football Union of Russia and Russia's national football team

Nornickel remains an official partner of the Football Union of Russia and Russia's national football team. The Company is the Football Union's exclusive partner in the metals sector.

The Football Union of Russia and Nornickel staged the Nornickel Cup – New Hopes inter-regional tournament that brought together youth teams from the Krasnoyarsk and the Zabaykalsky Kray and the Murmansk Region. The winning team was awarded a trip to the Futsal Academy's training camp.



International University Sports Federation

The Company will remain a partner of the International University Sports Federation (FISU), an universiade organiser, until May 2019 to support the international university sports movement. As in the previous year, we backed the FISU Volunteer Leaders Academy international forum held in June 2018 and attended by leaders of volunteering associations from over 120 FISU member states, university sports delegations and officials. The forum took place in the run-up to the 2019 Winter Universiade helping to facilitate communication between volunteers and national university sports federations and to share knowledge and experience in organising major international sporting events.



CSKA professional basketball club

Nornickel remains the general sponsor of Russia's most successful and well-known basketball club. In 2018, CSKA came out as a winner in the VTB United League and took part in the EuroLeague's Final Four.

Over the year, workshops led by the club transformed into a tournament for sports schools. The first CSKA junior basketball tournaments took place in Norilsk and Krasnoyarsk, with the winning teams offered tours to the CSKA junior camp in Moscow and workshops from the club's players.



29th International Winter Universiade in Krasnoyarsk

As a general partner of the 2019 International Winter Universiade in Krasnoyarsk, Nornickel duly and timely fulfilled its obligations to assist with preparations for the international student games in accordance with the agreement signed in 2015.

The Company's support for the universiade helped improve the local sports infrastructure, boosted the international image of the Krasnoyarsk Territory and its capital, promoted healthy lifestyles and mass sports, and enhanced living standards in the region.

In total, the Company contributed in excess of RUB 2.1 bn to the 2019 Winter Universiade.



One of our major commitments in the run-up to the universiade was to **fully upgrade the Bobrov Log Fun Park** and prepare it for alpine skiing events. In 2018, Nornickel successfully completed the construction of a new athletic training facility equipped with a broadcasting system, expansion of the existing ski pistes and creation of an additional training track, development of an integrated security system, modernisation of the artificial snow machinery, and preparation of an ambulance helicopter pad. As a general partner of the 2019 Winter Universiade, Nornickel ensured extensive promotion of the Student Games to inform the public about the event.



In 2018, the three **NordStar Airlines planes** bearing the 2019 Winter Universiade logo continued flying domestic and international routes. They made nearly 2,927 flights during the year and carried over 385,000 passengers who were updated about the upcoming event while on board. Information about the Universiade was also available in the NordStar inflight magazine.



Among our initiatives was launching **a thematic metro train in Moscow dedicated to the Krasnoyarsk Universiade**. The train is designed in the event's signature colours and features quick facts on the history of the Winter Games, universiade facilities, and the sports included in the programme. It also showcases the diversity of Siberia's culture and nature, as well as its history and traditions.



Norilsk Nickel Futsal Club

In 2016, the team and administrative personnel of Norilsk Nickel Futsal Club moved to Norilsk. The Company is the team's general sponsor. The team takes part in the Russian Super League Championship and Russian Futsal Cup. Relocation of the club gave a powerful boost to the development of futsal in the local community. The Russian Futsal Association and MMC Norilsk Nickel work closely to ensure the success of the Futsal to Polar Schools project. As part of this nationwide initiative, the Club's futsal players give master classes for schoolchildren and special workshops for trainers.



All Russian Federation of Dance Sport and Acrobatic Rock'n'Roll

In 2018, Nornickel supported the All Russian Federation of Dance Sport and Acrobatic Rock'n'Roll in developing and promoting these sports. As part of the partnership, we helped set up a corporate acrobatic rock'n'roll club in Norilsk that successfully debuted in the pan-Russian competitions. In recognition of Nornickel's contribution to dance sports and acrobatic rock-and-roll, the Company received the national Exercise Award 2018 as the Patron of the Year. The Company is the partner of the Federation of Dance Sport and Acrobatic Rock'n'Roll.



Rosgonki and Sochi Autodrom



In 2018, Nornickel was a partner of Rosgonki and Sochi Autodrom to support and promote motor racing in Russia. The Rosgonki autonomous non-profit organisation is the official organiser of the prestigious Formula One circuit race in Russia.

In 2018,
 the Company
 partnered
 with **Rosgonki**
 and **Sochi**
Autodrom

The Company spent

over **USD 2.1** bn

to organise and hold the 2019
 Winter Universiade