

## THE SCOPE OF THE GENERAL MEETING OF SHAREHOLDERS INCLUDES:

- restructuring and liquidation of the Company;
- election of members of the Board of Directors and the Audit Commission, and early termination of their powers;
- splitting and consolidation of shares, deciding on the number, par value, category (type) of authorised shares and the rights conferred by such shares;
- increasing the Company's authorised capital through rises in the par value of its shares or the offering of additional shares pursuant to the Federal Law;
- decreasing the Company's authorised capital through reducing the par value of its shares, purchasing part of the shares to reduce their total number, and redeeming the acquired or repurchased shares;
- approval of the Company's independent auditor;
- amendments and additions to the Company's Charter and approval of internal documents governing the activities of the Company's management bodies;
- approval of annual reports, annual financial statements, including income statements (profit and loss accounts) of the Company, distribution of profit, including payment (declaration) of dividends;
- making decisions on the approval of major transactions and interested party transactions to the extent provided for in the Federal Law;
- other matters as provided for by the Federal Law On Joint Stock Companies and the Company's Charter.

## Board of Directors

The Board of Directors is the collective management body in charge of the general management of the Company's activities, with the exception of matters that fall within the scope of the General Meeting of Shareholders, as specified in the Federal Law and the Company's Charter.

Meetings of the Board of Directors (in person or in absentia) are held as and when required, but at least once every six weeks. Meetings are convened by the Chairman of the Board of Directors at the latter's discretion or at the request of a member of the Board of Directors, Audit Commission, auditor, Management Board, President, or shareholders holding at least 10% of the Company's ordinary shares. Such a request shall be made in writing and specify the reasons for convening the meeting. The procedure for convening and holding the meetings of the Board of Directors is specified in the Company's internal document, *Regulation on the Board of Directors*.

Members of the Board of Directors are elected at the Annual or Extraordinary General Meeting of Shareholders according to the procedure provided for in the Federal Law for the period until the next Annual Meeting.

In 2015, the composition of the Board of Directors was changed on 13 May by resolution of the General Meeting of Shareholders. As at the end of 2015, the Board of Directors consisted of 13 members including five independent directors, two newly elected directors and one executive director.

A meeting of the Board of Directors is deemed duly constituted (quorate) if at least one half of the elected members of the Board are present. The Board of Directors' decisions are made by a majority vote of the members of the Board of Directors who participate in the meeting. According to the Charter, certain matters require a bigger quorum and larger number of votes for a decision to be adopted.

## THE SCOPE OF POWERS OF THE BOARD OF DIRECTORS INCLUDES:

- deciding on the Company's core business areas, concepts and strategies, implementation of these strategies, approving and amending corporate plans and budgets;
- making proposals for the consideration of the shareholders' meeting on the Company's restructuring and increasing (decreasing) the Company's authorised capital;
- recommendations on dividends per share and the related payment procedure, and approval of the Company's dividend policy;
- other matters as provided for by the Federal Law On Joint Stock Companies and the Company's Charter.

# Chairman of the Board of Directors and independent directors

## CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board of Directors is elected among the members of the Board of Directors by themselves by a majority vote from the total number of members of the Company's Board of Directors. The Board of Directors is entitled to re-elect the Chairman of the Board of Directors at any time by a majority vote from the total number of members of the Company's Board of Directors. When the Chairman of the Board of Directors is unavailable, the respective responsibilities are assumed by member of the Board of Directors appointed by the Board of Directors.

As set forth in the Regulation on the Board of Directors (approved by the Annual General Meeting of Shareholders of MMC Norilsk Nickel held on 30 June 2009), the key responsibilities of the Chairman of the Board of Directors are as follows:

- organising the work of the Board of Directors, ensuring efficient organisation of activities of the Board of Directors and its committees,
- ensuring interaction and keeping contacts with other bodies and officers of the Company,
- convening meetings of the Board of Directors and arranging for timely and due notification of members of the Board of Directors about the upcoming Board of Directors meeting,
- chairing the Board of Directors meetings or organising absentee voting, ensuring that the procedure for holding the Board of Directors' meetings is observed,
- ensuring the opportunity for members of the Board of Directors to express their point of view on the discussed items, ensuring a constructive and benevolent atmosphere at the meeting,
- drafting the agenda of the Board of Directors' meeting, making arrangements for minutes to be taken at meetings of the Board of Directors and signing these minutes,
- organising the preparation of the report of the Board of Directors for the year to be included in the Company's Annual Report.

Since March 2013, the Board of Directors has been chaired by the independent and non-executive director Gareth Peter Penny. During the reporting year, the Board of Directors chaired by Gareth Peter Penny made some

major decisions and took steps enabling the Company to enhance its business competitiveness currently and going forward. Simultaneous participation of the Chairman of the Board of Directors in other companies' boards of directors did not affect his performance in respect of the Board of Directors of MMC Norilsk Nickel, helping it to remain Russia's most profitable and financially sustainable mining company.

## INDEPENDENT DIRECTORS

In accordance with global corporate governance practices and the recommendations of the Corporate Governance Code, no less than one third of the Board of Directors should consist of independent directors. As at 31 December 2015, the Board of Directors of MMC Norilsk Nickel consisted of 13 members, including five independent directors.

Independent members of the Board of Directors meet the independence criteria recommended by the Corporate Governance Code and requirements established by the current version of the Listing Rules of MICEX Stock Exchange, which state that an independent director is one who is not related to:

- competitors,
- major counterparties,
- major shareholders in the Company,
- federal (Russian Federation or its constituent entities) and regional governments or municipal entities.

### Directors' liability insurance

Since 2003, the Company has had its directors' liability insured. The insurance aims to cover potential damage arising from unintended erroneous actions of the Company's directors in their management activities.

Pursuant to the insurance agreement, insurance premium shall not exceed USD 1 m. The terms and conditions of the agreement as well as the amount of insurance cover are consistent with the world's best practices for such risks.

## Activities of the Board of Directors in 2015

2015 was another difficult year when Norilsk Nickel's growth strategy and management framework were tested in an environment of slow and uneven global economic recovery as well as a generally complicated international situation. But even in these challenging circumstances, the Company kept demonstrating exceptional resilience delivering excellent operating and financial results. Led by a top-caliber management team with extensive international experience, the Company is committed to the best practices. The Board of Directors of MMC Norilsk Nickel declares that the Company adheres to the highest standards of corporate governance and complies with the most significant (key) principles of the Corporate Governance Code, which are a valuable tool for improving management effectiveness to ensure long-term and sustainable growth of the Company.

Throughout the year, the Board of Directors made serious decisions aimed at strengthening the financial discipline and launched initiatives focused on the

Company's financial stability. In order to protect the Company's financial interests, ensure effective operation of its management and control bodies and safeguard shareholder rights, a number of amendments were made to the Company's by-laws. Particularly, the Board of Directors updated the Company's growth strategy presented to the investment community in the reporting year and approved the management's key approaches to functional strategies. During the reporting year, the Board of Directors made decisions and took measures on a quarterly basis to ensure that the Company adheres to the highest standards in health, safety and environment across all geographies. Strictly adhering to the highest standards of corporate governance and social responsibility, the Company plans to continue enhancing focus on these areas to maintain and strengthen its leadership reaffirming its reputation of a business capable of achieving outstanding results regardless of economic cycles.

In 2015, the Board of Directors of MMC Norilsk Nickel held

# 47

meetings:

9 meetings in person,  
38 meetings in absentia

In the reporting year, the composition of the Board of Directors was changed once by resolution of the Annual General Meeting of Shareholders held on 13 May 2015.

### Information about the Board of Directors and participation in meetings

THE BOARD OF DIRECTORS	INDEPENDENT DIRECTOR	NON-EXECUTIVE DIRECTOR	STRATEGY COMMITTEE	BUDGET COMMITTEE	AUDIT COMMITTEE	CORPORATE GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE	PARTICIPATION IN MEETINGS: IN PERSON / IN ABSENTIA
Current members of the Board of Directors							
Gareth Peter Penny — Chairman of the Board of Directors	+	+	+				9/38
Gerhardus Prinsloo	+	+	+	+	+		9/38
Robert Edwards	+	+			+	+	9/38
Sergey Bratukhin	+	+	+	+		+	9/38
Andrey Korobov <sup>1</sup>	+	+					6/25
Andrey Bougrov							9/38
Marianna Zakharova <sup>1</sup>				+	+	+	9/38
Sergey Barbashev		+		+		+	9/38
Alexey Bashkirov		+	+	+	+		9/38
Maksim Sokov		+	+				9/38
Vladislav Solovyov		+		+			9/38
Stalbek Mishakov		+				+	9/38
Rushan Bogaudinov <sup>2</sup>		+					6/25
Members of the Board of Directors who stepped down on 13 May 2015							
Yegor Ivanov <sup>3</sup>		+			+		3/13
Sergey Skvortsov <sup>3</sup>	+	+					3/13

<sup>1</sup> Left the Committee as per the Board of Directors' resolution of 8 October 2015 (Minutes No. GMK/35-pr-sd).

<sup>2</sup> Elected to the Board of Directors formed by the Annual General Meeting of Shareholders held on 13 May 2015.

<sup>3</sup> Not elected to the Board of Directors formed by the Annual General Meeting of Shareholders held on 13 May 2015.

# Biographies of Board of Directors members



GARETH PETER HERBERT PENNY

- Chairman of the Board of Directors since March 2013
- Independent non-executive director
- Member of the Strategy Committee

Born in: 1962  
Nationality: UK

**Education:**  
Diocesan College (Bishop); Eton College (Cape Town); Oxford, Rhodes Scholar, Master of Arts in Philosophy, Politics and Economics

**Track record:**  
2007–present – Director at Julius Bär Holding Ltd  
2011–2012 – CEO at AMG Mining  
2012–present – Executive Chairman at New World Resources Plc  
2012–present – Executive Director at New World Resources Plc  
2012–present – member of the Board of Directors at OKD

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



ANDREY BOUGROV

- Member of the Board of Directors since 2002
- Deputy Chairman of the Board of Directors since March 2013
- Member of the Management Board since 2013

Born in: 1952  
Nationality: Russia

**Education:**  
Moscow State Institute of International Relations (MGIMO), PhD in Economics

**Track record:**  
2002–present – member of the Council on Foreign and Defence Policy  
2006–present – member of the Management Board at the Russian Union of Industrialists and Entrepreneurs  
2007–2011 – Chairman of the Management Board at the Bureau of Economic Analysis  
2008–2011 – Chairman of the Board of Directors at Prof-Media Management  
2010–2013 – member of the Management Board and Deputy CEO at Interros Holding Company  
2011–2013 – Chairman of the Board of Directors at MMC Norilsk Nickel  
2013–2014 – member of the Board of Directors at the Federal Hydro-Generating Company RusHydro  
2013–2015 – Vice President at Interros Holding Company  
2013–2015 – Deputy CEO at MMC Norilsk Nickel  
2013–present – Vice President of the Russian Union of Industrialists and Entrepreneurs  
2014–present – member of the Board of Directors at Inter RAO UES  
2015–present – Vice President at MMC Norilsk Nickel  
2015–present – Vice President at Interros Holding Company (LLC)

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



SERGEY BARBASHEV

- Member of the Board of Directors since March 2011
- Non-executive director
- Member of the Corporate Governance, Nomination and Remuneration Committee

Born in: 1962  
Nationality: Russia

**Education:**  
Moscow Higher School of Militia of the Ministry of Internal Affairs of the USSR, degree in Law

**Track record:**  
2008–2015 – CEO, Chairman of the Management Board at Interros Holding Company  
2008–present – member of the Board at the Vladimir Potanin Charitable Foundation  
2011–present – Chairman of the Board of Directors at Rosa Khutor Ski Resort Development Company  
2015–present – CEO, Chairman of the Management Board at Interros Holding Company (LLC)  
2015–present – Branch Director at Olderfrey Holdings Ltd.

Share in the Company's authorised capital: 0.000088 %  
Share in the common stock: 0.000088 %



ALEXEY BASHKIROV

- Member of the Board of Directors since March 2013
- Non-executive director
- Chairman of the Budget Committee since March 2013, member of the Audit Committee since October 2015, member of the Strategy Committee

Born in: 1977  
Nationality: Russia

**Education:**  
Moscow State Institute of International Relations (MGIMO), degree in International Economics

**Track record:**  
2009–2015 – Executive Director, Head of the Investment Department, Deputy CEO for Investments at Interros Holding Company  
2009–2013 – member of the Board of Directors at Rosa Khutor Ski Resort Development Company  
2009–2014 – member of the Board of Directors at Prof-Media Management  
2010–2011 – member of the Board of Directors at Open Investments, Third Generation Company of the Wholesale Electricity Market  
2010–2012 – member of the Board of Directors at Stavropol Broiler, Agros Agroindustrial Complex  
2011–2015 – member of the Management Board at Interros Holding Company  
2011–2012 – member of the Board of Directors at ProfEstate  
2012–2014 – member of the Board of Directors at SP Holding, Cinema Park  
2014–present – member of the Board of Directors at NPO Petrovax Pharm, Zaodno  
2015–present – member of the Management Board, Deputy CEO for Investments at Interros Holding Company (LLC)

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



SERGEY BRATUKHIN

- Member of the Board of Directors since March 2013
- Independent non-executive director
- Chairman of the Corporate Governance, Nomination and Remuneration Committee since March 2013, member of the Strategy Committee, member of the Budget Committee

Born in: 1971  
Nationality: Russia

**Education:**  
Mendeleyev Russian University of Chemical Technology, degree in Engineering;  
Finance Academy under the Government of the Russian Federation, degree in Banking and Insurance;  
Warwick Business School, degree in Business Management

**Track record:**  
2007–present – member of the Board of Directors at Dallesprom  
2007–2014 – member of the Board of Directors at Amur Shipping Company  
2009–2011 – Managing Director for strategic investments at a branch of Renaissance Partners Advisors Limited  
2011–present – President at Invest AG (CIS Investment Advisers)  
2014–present – member of the Board of Directors at AKB International Financial Club

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



MARIANNA ZAKHAROVA

- Member of the Board of Directors since June 2010
- Member of the Audit Committee, Budget Committee and Corporate Governance, Nomination and Remuneration Committee until October 2015

Born in: 1976  
Nationality: Russia

**Education:**  
Peoples' Friendship University of Russia (RUDN), master's degree in Law

**Track record:**  
2010–2015 – Deputy CEO for Legal Affairs at Interros Holding Company  
2010–2015 – member of the Management Board at Interros Holding Company  
2010–2015 – member of the Board of Directors at ProfEstate  
2015–2015 – member of the Management Board at Interros Holding Company (LLC)  
2015–2015 – Deputy CEO for Legal Affairs at Interros Holding Company (LLC)  
2015–present – First Vice President for Corporate Governance, Asset Management and Legal Affairs at MMC Norilsk Nickel

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



STALBEK MISHAKOV

- Member of the Board of Directors since 2012
- Non-executive director
- Member of the Corporate Governance, Nomination and Remuneration Committee, member of the Audit Committee

Born in: 1970  
Nationality: Russia

**Education:**

Moscow State Institute of International Relations (MGIMO), degree in International Law;  
University of Notre Dame, master's degree;  
Diplomatic Academy of the Russian Foreign Ministry, PhD in Economics

**Track record:**

2010–present – Advisor to the CEO at RUSAL Global Management B. V.  
2013–present – Deputy CEO at En+ Management  
2013–present – member of the Board of Directors at United Company RUSAL Plc

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



GERHARDUS PRINSLOO CORNELIS

- Member of the Board of Directors since 2012
- Independent non-executive director
- Chairman of the Audit Committee since March 2013, member of the Strategy Committee

Born in: 1965  
Nationality: Germany

**Education:**

University of Pretoria, South Africa

**Track record:**

2008–2012 – Partner, Director at Bain & Company Russia LLC  
2012–present – CEO at Natural Resource Partnership

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



MAKSIM SOKOV

- Member of the Board of Directors since December 2008
- Non-executive director
- Chairman of the Strategy Committee since March 2013

Born in: 1979  
Nationality: Russia

**Education:**

Russian State Tax Academy under the Russian Ministry of Taxes, degree in Law;  
New York University, master's degree in Law

**Track record:**

2008–2013 – CEO at OK RUSAL – Investment Management  
2009–2011 – member of the Board of Directors at Third Generation Company of the Wholesale Electricity Market  
2010–2011 – Director of Strategy and Corporate Development at RUSAL Global Management B. V.  
2011–2012 – Director of Strategy at RUSAL Global Management B. V.  
2012–present – member of the Board of Directors at United Company RUSAL Plc  
2012–2013 – Director of Strategic Investment Management at RUSAL Global Management B. V.  
2013–2014 – Advisor on Strategic Investment Management at RUSAL Global Management B. V. and First Deputy CEO at En+ Group Ltd  
2013–present – CEO at En+ Management, member of the Board of Directors at EuroSib Energo Plc and En+ Group Ltd  
2014–present – CEO at En+ Group Ltd

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %





**VLADISLAV SOLOVYOV**

- Member of the Board of Directors since March 2013 (also from 2008 to March 2011)
- Non-executive director
- Member of the Budget Committee

Born in: 1973  
Nationality: Russia

**Education:**  
Graduate School of Management of the State Academy of Management;  
Stankin Moscow State University of Technology;  
MBA

**Track record:**  
2008–2010 – CEO at En+ Management  
2010–2014 – First Deputy Director at RUSAL Global Management B. V.  
2014–present – CEO at RUSAL Global Management B. V.

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



**ROBERT EDWARDS**

- Member of the Board of Directors since 2013
- Independent non-executive director
- Member of the Corporate Governance, Nomination and Remuneration Committee, member of the Audit Committee

Born in: 1966  
Nationality: UK

**Education:**  
Camborne School of Mines, degree in Mining Engineering

**Track record:**  
2002–2011 – Head of Metals and Mining at Renaissance Capital Ltd  
2012 – Chairman of Global Metals and Mining Research at Renaissance Capital Ltd  
2013–2014 – Senior Advisor at Royal Bank of Canada (Europe) Capital Markets  
2013–present – CEO at Highcross Resources Ltd  
2014–present – Director at GB Minerals Ltd  
2016–present – Non-executive Chairman at Sierra Rutile Limited (SRX)

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



**ANDREY KOROBOV**

- Member of the Board of Directors since May 2015
- Independent non-executive director

Born in: 1969  
Nationality: Russia

**Education:**  
St Petersburg State Electrotechnical University;  
Northwest Academy of Public Service, degree in Finance and Credit

**Track record:**  
2008–2013 – CEO and Co-Founder at Dighton Capital Management (Switzerland)  
2012–2015 – Adviser to CEO at Rostec State Corporation on supporting development, production and export of high tech industrial products  
2013–2015 – CEO at RT-Global Resources  
2013–2015 – Member of the Board of Directors at TriArc Mining  
2014–present – Member of the Board of Directors at Baikal Mining Company and TriArc Mining  
2015–present – CEO at RT-Business Development

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



RUSHAN BOGAUDINOV

- Member of the Board of Directors since May 2015
- Non-executive director

Born in: 1977  
Nationality: Russia

**Education:**  
Stankin Moscow State University of Technology, degree in Automation Engineering

**Track record:**  
2008–2011 – Head of Internal Audit at Military Industrial Company  
2011–2012 – Director of the Internal Audit Department at Rospechat Agency  
2011–2012 – Director of the Internal Audit Department at FreightLink  
2012–2015 – Director of the Control and Audit Department at RUSAL Global Management B. V.  
2012–present – member of the Board of Directors at Aughinish Alumina Ltd  
2012–present – member of the Board of Directors at Limerick Alumina Refining Ltd  
2015–present – Head of Practice at RUSAL Global Management B. V.

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



Short bios of the members of the Board of Directors who stepped down on 13 May 2015 are provided in the 2014 Annual Report.

## CORPORATE SECRETARY

According to the Company's Charter, the Corporate Secretary is elected by the Board of Directors for a period of three years. The Board of Directors may terminate the powers of the Corporate Secretary prior to their expiration.

### The Corporate Secretary is responsible for:

- monitoring the compliance of the Company's bodies and officers with the procedures that ensure the enforcement of rights and interests of the Company's shareholders,
- supervising the preparation and running of the General Meeting of Shareholders as provided for by the applicable Russian law, the Company's Charter and by-laws,
- assisting directors in carrying out their duties and responsibilities,
- safekeeping the Company's constituent documents, minutes of the General Meeting of Shareholders and BD meetings, ballot sheets, and proxies (copies thereof) for the General Meeting of Shareholders,
- supervising the disclosure (presentation) of data about the Company to the shareholders as per their request and to the Bank of Russia and other government authorities,
- managing the operations of the Secretariat,
- handling communication with the Company's shareholders on their registration ahead of the General Meeting of Shareholders,
- certifying extracts from resolutions of the Company's governance bodies and copies of documents.

Since December 2011, the position of the Corporate Secretary has been held by Pavel Platov.



PAVEL PLATOV

- Corporate Secretary of the Company since 7 December 2011

Born in: 1975  
Nationality: Russia

**Education:**  
Linguistics University of Nizhny Novgorod, Russian Presidential Academy of National Economy and Public Administration

**Track record:**  
2010–2011 – Deputy Corporate Secretary of MMC Norilsk Nickel  
2011–2015 – Corporate Secretary at MMC Norilsk Nickel  
2015–present – Corporate Secretary at MMC Norilsk Nickel

Share in the Company's authorised capital: 0 %  
Share in the common stock: 0 %



# Committees of the Board of Directors

In 2015, the following committees of the Board of Directors continued their work:

- Audit Committee,
- Strategy Committee,
- Budget Committee,
- Corporate Governance, Nomination and Remuneration Committee.

## ■ Participation in the BD committee meetings

CURRENT MEMBERS OF THE BOARD OF DIRECTORS	PARTICIPATION IN MEETINGS			TOTAL
	IN PERSON	IN ABSENTIA	JOINT MEETING <sup>1</sup>	
<b>Audit Committee held 9 meetings, including 5 meetings in person, 2 meetings in absentia and 2 joint meetings</b>				
Gerhardus Prinsloo, Chairman	5	2	2	9
Stalbek Mishakov	4	1	1	6
Alexey Bashkirov	2	–	–	2
Robert Edwards	5	2	2	9
Marianna Zakharova <sup>2</sup>	3	2	2	7
<b>Strategy Committee held 7 meetings, including 5 meetings in person, 1 meeting in absentia and 1 joint meeting</b>				
Maksim Sokov, Chairman	5	1	1	7
Gerhardus Prinsloo	5	1	1	7
Alexey Bashkirov	5	1	1	7
Gareth Peter Penny	5	1	1	7
Sergey Bratukhin	3	1	1	5
<b>Budget Committee held 6 meetings, including 1 meeting in person, 3 meetings in absentia and 2 joint meetings</b>				
Alexey Bashkirov, Chairman	1	3	2	6
Vladislav Solovyov	1	3	2	6
Sergey Barbashev	1	3	2	6
Sergey Bratukhin	1	3	2	6
Gerhardus Prinsloo	1	1	–	2
Marianna Zakharova <sup>2</sup>	–	2	2	4
<b>Corporate Governance, Nomination and Remuneration Committee held 9 meetings, including 4 meetings in person and 5 meetings in absentia</b>				
Sergey Bratukhin, Chairman	4	5	–	9
Sergey Barbashev	2	1	–	3
Stalbek Mishakov	4	5	–	9
Robert Edwards	4	5	–	9
Marianna Zakharova <sup>2</sup>	3	3	–	6
<b>DIRECTORS WHO STEPPED DOWN ON 13 MAY 2015</b>				
<b>Audit Committee</b>				
Yegor Ivanov	1	1	1	3

<sup>1</sup> On 27 March 2015 and 27 August 2015, the Budget Committee and the Audit Committee of the Board of Directors held joint meetings. On 6 August 2015, the Strategy Committee and the Budget Committee of the Board of Directors held a joint meeting.

<sup>2</sup> Left the Committee as per the Board of Directors' resolution of 8 October 2015 (Minutes No. GMK/35-pr-sd).

## AUDIT COMMITTEE

The Audit Committee is made up of four directors, including two independent directors one of whom should chair the Committee.

The Audit Committee provides the Board of Directors with assistance related to:

- financial reporting,
- risk management and internal controls,
- external and internal audits,
- fight against fraudulent behaviour of the Company's employees and third parties,
- other functions pertaining to the Committee's operations.

The Committee issued recommendations to the Board of Directors to facilitate decision making on the Company's business priorities, financial reporting, health, safety and environment, improvement of the corporate accounting framework for metal-bearing products, and approval of the Company's auditors. The Committee also considered

### Members of the Audit Committee

PRE-2015 AGMS	POST-2015 AGMS:
Gerhardus Prinsloo <sup>1</sup> , Chairman	Gerhardus Prinsloo <sup>1</sup> , Chairman
Marianna Zakharova	Marianna Zakharova <sup>2</sup>
Robert Edwards <sup>1</sup>	Robert Edwards <sup>1,3</sup>
Yegor Ivanov	Alexey Bashkirov <sup>3</sup>
	Stalbek Mishakov <sup>3</sup>

<sup>1</sup>Independent director

<sup>2</sup>Left the Committee as per the Board of Directors' resolution of 8 October 2015 (Minutes No. GMK/35-pr-sd).

<sup>3</sup>Joined the Committee as per the Board of Directors' resolution of 8 October 2015 (Minutes No. GMK/35-pr-sd).

and took note of the results achieved in identifying, assessing and managing technical and production risks across Norilsk Nickel Group's operations and assets, and results of audits conducted by the Internal Control Department. Next year, the Committee plans to go on with the existing projects and focus on managing risks.

## STRATEGY COMMITTEE

The Strategy Committee is made up of five directors, including two independent directors. All directors are non-executive.

The Strategy Committee was established to support the Board of Directors by conducting a preliminary review of the matters pertaining to:

- sustainable business development,
- health, safety and environment,
- investment planning,
- structural changes,
- interaction with capital markets and government authorities.

The Committee is also entitled to take any other action deemed reasonable or required for delivering on their agenda in accordance with the Russian and other applicable laws, the Company's Charter, its by-laws and other regulations binding on the Company.

Pursuant to the most recent Regulation on the Strategy Committee, only non-executive directors may serve on the Committee. At least one Committee member shall be an independent director.

The Committee issued recommendations to the Board of Directors to facilitate decision making on updating the Company's development strategy and approving its function specific strategies (sales, marketing,

### Members of the Strategy Committee

PRE-2015 AGMS	POST-2015 AGMS
Maksim Sokov, Chairman	Maksim Sokov, Chairman
Gerhardus Prinsloo <sup>4</sup>	Gerhardus Prinsloo <sup>4</sup>
Alexey Bashkirov	Alexey Bashkirov
Gareth Peter Penny <sup>4</sup>	Gareth Peter Penny <sup>4</sup>
Sergey Bratukhin <sup>4</sup>	Sergey Bratukhin <sup>4</sup>

<sup>4</sup>Independent director

environment, transport and logistics, health and safety, fuel and energy). In addition, the Committee amended the list of non-core assets and reviewed reports on the disposal of non-core assets and implementation of the procurement plan and budget. For strategic planning purposes, the Committee reviewed the long-term reserve base development plan, the production report and the deliverables of a programme designed to improve production efficiency and reduce operating costs of the Company.

## BUDGET COMMITTEE

The Budget Committee is made up of five directors, including one independent director.

The Budget Committee was established to support the Board of Directors by conducting preliminary reviews and making recommendations on the finance, budgeting and business planning policies.

The Committee issued recommendations to the Board of Directors to facilitate decision making on the amount of dividends to be paid out and the cut-off date to be suggested by the Board of Directors. The Committee approved the Company's 2016 budget and recommended the continuation of the capex reduction initiatives.

### Members of the Budget Committee

PRE-2015 AGMS	POST-2015 AGMS
Alexey Bashkurov, Chairman	Alexey Bashkurov, Chairman
Sergey Barbashev	Vladislav Solovyov <sup>6</sup>
Sergey Bratukhin <sup>5</sup>	Sergey Barbashev <sup>6</sup>
Marianna Zakharova	Sergey Bratukhin <sup>5,6</sup>
Vladislav Solovyov	Gerhardus Prinsloo <sup>5,6</sup>
	Marianna Zakharova <sup>7</sup>

<sup>5</sup>Independent director

<sup>6</sup>Joined the Committee as per the Board of Directors' resolution of 8 October 2015 (Minutes No. GMK/35-pr-sd).

<sup>7</sup>Left the Committee as per the Board of Directors' resolution of 8 October 2015 (Minutes No. GMK/35-pr-sd).

## CORPORATE GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE

The Corporate Governance, Nomination and Remuneration Committee is made up of four directors, including two independent directors one of whom should chair the Committee. All directors are non-executive.

The Corporate Governance Committee supports the Board of Directors by:

- assessing, controlling and improving the Company's corporate governance framework,
- promoting a sustainable business environment in the context of corporate governance,
- ensuring succession planning for the Board of Directors and the Management Board,
- providing incentives, assessing the performance of and remuneration policies for the Company's Board of Directors, Management Board, President and Corporate Secretary,
- supervising the development and implementation of the Company's information policy.

The Committee is also entitled to take any other action deemed reasonable or required for delivering on their agenda in accordance with the Russian and other applicable laws, the Company's Charter, its by-laws and other regulations binding on the Company.

The Committee issued recommendations to the Board of Directors to facilitate decision making on the convocation, preparation and running of the annual and extraordinary general meetings of shareholders, and on the matters reserved to such meetings (approval of the Company's Charter, remuneration and reimbursement of expenses of the members of the Board of Directors

### Members of the Corporate Governance, Nomination and Remuneration Committee

PRE-2015 AGMS	POST-2015 AGMS
Sergey Bratukhin <sup>8</sup> , Chairman	Sergey Bratukhin <sup>8</sup> , Chairman
Marianna Zakharova	Sergey Barbashev <sup>9</sup>
Stalbek Mishakov	Stalbek Mishakov <sup>9</sup>
Robert Edwards <sup>8</sup>	Robert Edwards <sup>8,9</sup>
	Marianna Zakharova <sup>10</sup>

<sup>8</sup>Independent director

<sup>9</sup>Joined the Committee as per the Board of Directors' resolution of 8 October 2015 (Minutes No. GMK/35-pr-sd).

<sup>10</sup>Left the Committee as per the Board of Directors' resolution of 8 October 2015 (Minutes No. GMK/35-pr-sd).

and the Audit Commission, liability insurance and indemnification of the members of the Board of Directors and the Management Board, and approval of prospective related-party transactions that may be entered into in the normal course of the Company's business). The Committee approved new versions of regulations on the Board of Directors' committees, issued recommendations on changing the approach to the approval of related-party transactions, and suggested a methodology to assess performance of the members of the Company's Board of Directors and Management Board. In addition, the Committee adopted a Long-Term Incentive Programme focusing on MMC Norilsk Nickel's executives, and reviewed the existing Management Remuneration and Performance Assessment Policy.