

EXTERNAL AUDIT

Norilsk Nickel uses the Company's existing procedure to run a competitive bidding process for pre-selection of an auditor for MMC Norilsk Nickel's consolidated financial statements in accordance with IFRS (international financial reporting standards) and RAS accounts (Russian Accounts Standards). The Board's Audit and Sustainable Development Committee reviews the pre-selection results and makes a recommendation to the Board of Directors regarding a candidate for the independent auditor to be submitted to the General Meeting of Shareholders of MMC Norilsk Nickel for approval.

In 2019, the General Meeting of Shareholders approved JSC KPMG as the auditor for MMC Norilsk Nickel's RAS and IFRS financial statements for 2019 as recommended by the Board of Directors in its

Report on the Agenda of the Annual General Meeting of Shareholders.

In 2019, the fee paid to JSC KPMG for its audit and non-audit services provided to MMC Norilsk Nickel and its subsidiaries totalled RUB 202.1 mln (USD 3.1 mln), net of VAT, with the share of non-audit services accounting for 38% of the total amount.

JSC KPMG has in place policies and procedures safeguarding the independence of auditors in line with the requirements of the International Ethics Standards Board for Accountants (IESBA), the Code of Professional Ethics of Auditors in Russia, the Russian Rules for the Independence of Auditors and Audit Organisations, and other applicable standards.

Auditor's fee

Service type	RUB mln, net of VAT	USD mln, net of VAT
Audit and related services	125.6	1.9
Non-audit services, including:	76.6	1.2
quality control for the SAP ERP roll-out project	19.6	0.3
Total auditor's fee	202.1	3.1
Share of non-audit services		38%