

# EXPANDING OUR HORIZONS

## OUR STRATEGY

The seamless execution of our strategy over the past six years, as well as tailwinds in the commodities markets, have helped us to achieve industry-leading TRS (total returns to shareholders) performance. Now it's time for us to take the next step towards even more ambitious goals, both in terms of business growth and environmental performance.

We are setting new planning horizons, as we see a positive outlook going forward. Firstly, the nickel market, which is a strategic focus for us, is showing a stable global trend in demand from battery and electric vehicle (EV) manufacturers. And while this story has been more about expectations than real action so far, we are keenly aware that the future for the automotive industry lies with green technology, which provides an extra tailwind for us. At the same time, petrol-driven cars are also still being produced, and this sector is our traditional consumer. With environmental standards getting ever tougher, demand for palladium is surging, as this metal is indispensable for making catalytic converters which capture harmful exhaust pollutants. The strong long-term demand for nickel and platinum group metals (PGMs) creates a positive case for our shift from the current, tactical five-year planning horizon to a longer, ten-year strategic planning horizon. This is even more important, as all of the major

capital projects we are betting on in the metals and mining industry take on average about 7 to 10 years to deliver. We expect to increase Nornickel's ore production 1.8 times over this time horizon, investing approximately more than RUB 2.0 trillion in our growth projects.

We are confident that Nornickel will play a crucial role in making the global economy, and above all transport, green. To this end, we need to make sure that our own assets in this new, more environmentally conscious world are equally as green.



**VLADIMIR POTANIN,**  
President, MMC Norilsk Nickel

## MISSION

Through the efficient use of natural resources and equity, we supply mankind with non-ferrous metals, which make the world a more reliable place to live in, and help people to realise their aspirations for development and technological progress

## GLOBAL MEGATRENDS IN THE AUTOMOTIVE INDUSTRY



## STRATEGY EVOLUTION

### STRATEGY UPDATE COVERING KEY AREAS



#### Production growth<sup>1</sup>

- Accelerating output growth
- Expanding the long-term investment programme

#### Growth in mining production<sup>2</sup> on the Taimyr Peninsula

**+60–75%**

#### Growth in metals output

Ni  
nickel **+15–25%**

Cu  
copper **+20–30%**

Pd+Pt  
platinum  
group metals **+30–45%**

<sup>1</sup>/ To the base year (2017).  
<sup>2</sup>/ To the base year (2015).



#### Comprehensive environmental programme

- Slashing sulphur-dioxide emissions
- Maintaining leadership in CO<sub>2</sub> reduction

#### Reduction of SO<sub>2</sub> emissions from operations<sup>2</sup>

by **2025** at the Polar Division **by 90%**

by **2021** at Kola MMC **by 85%**  
Nornickel's production cycle ensures one of the lowest levels of GHG emissions among global metals and mining companies



## STRATEGIC ASPIRATION

Sustainable growth and maintaining industry-leading shareholder returns

