

**WHY
WE
DO
THIS**

We run this cross-cultural project

to promote
Siberia
globally

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Since the project's
launch, its online
contest has received
entries from

COUNTRIES

19

and was joined
by travel
bloggers from

COUNTRIES

FOLLOW UP SIBERIA!

The participating travel bloggers have been sharing their experiences of traveling to Siberian cities and meeting local people, thus helping their audiences to overcome the stereotype of Siberia being some remote, foreboding corner of Russia



In 2019, Group enterprises entered into 11 collective bargaining agreements for a term of three years, including two enterprises that signed these agreements for the first time.

The percentage of employees covered by collective bargaining agreements stood at 83% in 2019¹.

Collective bargaining commissions perform ongoing monitoring of the performance of obligations under collective bargaining agreements by the parties throughout the agreement term.

The Group entities have also set up labour dispute commissions, social benefits commissions/committees, social insurance commissions, occupational safety commissions/committees, social and labour relations commissions, etc.

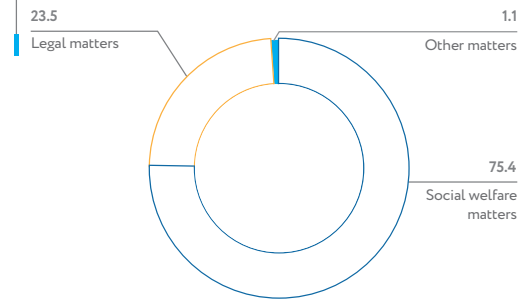
No breaches of collective bargaining agreements, and no strikes or lockouts were recorded across the Group entities in 2019.

INTERREGIONAL CROSS-INDUSTRY AGREEMENT

The Interregional Cross-Industry Association of Employers "Union of Copper and Nickel Producers and Production Support Providers" (the "Association") was registered in 2018 at the initiative of the Group's two Russian enterprises located in the Krasnoyarsk Region and Murmansk Region.

Based on the collective bargaining process between the Association and Nornickel employees' trade union in 2019, the Interregional Cross-Industry Agreement for 2019–2022 was signed. The Agreement governs social and labour relations between the Association member employers and their employees, and defines uniform corporate approaches to compensation, provision of guarantees,

Main topics of queries and requests (%)



allowances and benefits to employees, work and rest hours, occupational health, and other matters.

In 2019, the Agreement was rolled out to 22 Group enterprises, covering 89% of employees.

EMPLOYEE PLACEMENT FOLLOWING THE CLOSURE OF THE SMELTING SHOP IN NICKEL

In order to comply with the requirements of environmental laws and reduce emissions in the Pechengsky District, a decision was made in late 2019 to close the smelting shop in Nickel.

The closure of the smelting operation will affect a total of 660 employees of the smelting shop and support functions.

In December 2019, Nornickel developed a redundancy programme to offer social support to the affected employees of the smelting operations, whereby Nornickel has undertaken to support them through the process of relocation, retraining and finding a new job. The programme was agreed with the social and labour council and primary trade union organisations of Kola MMC and Pechengastroy:

^{1/} Including enterprises that have no collective bargaining agreements in place but have approved relevant local regulations and are covered by MMC Norilsk Nickel's Collective Bargaining Agreement, including foreign assets.

- In case of placement with another business unit of Nornickel:
 - Housing rent reimbursement in case of relocation
 - A full salary level paid during one calendar year
 - Compensation for actual travel expenses of employees and their families
 - Participation in corporate programmes to purchase housing at the new location
 - Training/retraining/certification in a new trade/job
- In case of redundancy:
 - Severance pay in the amount of six average monthly wages
 - Early provision of a corporate pension
 - Compensation for travel expenses of employees and their families
 - Financial assistance for housing purchase under the Our Home/My Home programme
 - Voluntary medical insurance policy maintained for one calendar year from the termination date
 - Succession programme provides training of an affected employee by another Nornickel employee (above the retirement age) with a severance pay to the mentor upon completion.

In addition, Nornickel's dedicated Employment Centre will be launched in 2020 to provide all-round support to affected employees of the smelting operations about to be shut down (including providing information, advice, and career guidance) and to partner with Norilsk Nickel Group entities, the government of the Murmansk Region, and local employers on job opportunities for redundant employees.

All staff-related decisions and actions will be carried out in compliance with the requirements of the Russian labour law, Federal Law No. 1032-1 On Employment in the Russian Federation dated 19 April 1991, and Nornickel's social support programme.

SOCIAL PROGRAMMES FOR EMPLOYEES

HEALTH IMPROVEMENT PROGRAMMES

Given the harsh climate of the Far North and the difficult working conditions at mining facilities, Nornickel has been consistently investing in health programmes for employees and their families. Health improvement and health resort treatment programmes are a key priority of Nornickel's social policy.

In 2019, 14,200 people (employees and their families) had recreation and treatment in Zapolyarye Health Resort (Sochi). Some 8,500 people spent their holidays in other health resorts, including 4,400 who travelled to Bulgarian resorts and 1,100 who went to Hainan, China. The Company compensates its employees an average of about 84% of the trip voucher cost.

The health resort treatment programme is designed to prevent the development of chronic diseases in employees' children and give them an opportunity to take full advantage of their summer holidays. As part of the initiative, about 1,400 children spent their holidays in Anapa and Bulgaria.

SPORTS PROGRAMMES

Given the harsh climate of the Far North, supporting healthy lifestyle behaviours is a key focus area in the personal development of Nornickel employees. Sports programmes seek to promote a healthy lifestyle, build a sense of corporate solidarity, improve interpersonal interactions, and develop a strong corporate culture.

