

Pension plans coverage

Item	2017	2018	2019
Co-Funded Pension Plan			
Financing, USD mln	8.6	7.7	7.6
Number of participants	15,700	13,916	12,304
Complementary Corporate Pension Plan			
Financing, USD mln	8.5	6.7	6.1
Number of participants	718	545	525
Other pension plans			
Financing, USD mln	0.1	0.9	1.0
Number of participants	1,118	1,114	1,151

SOCIAL INVESTMENTS**SUPPORT FOR INDIGENOUS PEOPLES**

Nornickel recognises the right of northern indigenous minorities to preserve their traditional way of life, and addresses their needs for decent living standards of modern societies. For many years, the Company has been engaged in projects to improve the quality of life for Taimyr indigenous minorities.

Nornickel adopted the Indigenous Rights Policy which defines Nornickel's key related commitments. No violations infringing on the rights of indigenous minorities were recorded across the Group's operating regions in 2019.

To preserve ethnic traditions and culture of indigenous minorities, Nornickel supports annual festivals for tundra inhabitants celebrating the traditional Reindeer Herder's Day and the Fisherman's Day. To that end, the Company purchases items that are most popular among local communities, including tents, petrol power generators, household equipment, outboard motors, inflatable boats, GPS navigators, sleeping bags, binoculars, etc.

Nornickel also supports the staging of a unique ethnic street festival, Bolshoy Argish, which has received lots of positive feedback from the local communities.

Nornickel also offers regular assistance in response to specific requests from Taimyr municipalities

and sponsorship support for indigenous peoples of the North, including through arranging air transportation and supplies of construction materials and diesel fuel.

Nornickel's expenses on support for northern indigenous minorities totalled about RUB 100 mln (~USD 2 mln) for the year.

International Year of Indigenous Languages

On 19 December 2016, the General Assembly of the United Nations proclaimed 2019 as the International Year of Indigenous Languages pursuant to a resolution of the UN Permanent Forum on Indigenous Issues. The International Year of Indigenous Languages aims to focus attention on the risks confronting indigenous languages, improve quality of life, wider international cooperation and visibility and strengthened intercultural dialogue to reaffirm the continuity of indigenous languages and cultures.

Nornickel has supported this initiative by financing a project to create the writing system for the Enets people at Siberian Federal University. The Enets people were the last people of the Siberian Arctic with no official writing system. The 2010 census showed the extremely small number of Enets people left – just 221.

The writing system has been created since then, with federal agencies engaged to include it in educational programmes and adapt to educational requirements.

The project was presented at the 18th session of the UN Permanent Forum on Indigenous Issues, where Nornickel shared its experience in implementing its corporate policy on supporting northern indigenous minorities and specific projects to maintain the ethnic traditions and improve living standards of Taimyr's indigenous people.

Through this project, Nornickel has demonstrated its commitment to sustainability and stakeholder engagement in supporting indigenous minorities in Russia.

SUPPORT FOR LOCAL COMMUNITIES

In supporting regional development, Nornickel focuses on financing projects that create both commercial and social value. Nornickel makes a significant contribution to the development of local communities across its footprint and runs voluntary social programmes and projects to build an inclusive and people-friendly environment, protect the environment, and support local communities, both independently and in partnership with municipalities, regional and federal authorities, not-for-profits, NGOs, and professional associations. These programmes and projects address specific

regional issues to drive economic growth and improve the local social situation.

The Company also contributes to the social and economic development across regions by organising and holding forums and conferences for representatives of government, business, and society to share their opinions and establish positive dialogues on topics that matter for the regional economies and social life. The fact that two regions within the Company's footprint are located along Russia's borders (the Murmansk Region and the Zabaykalsky Region) and two are part of the Russian Arctic (the Krasnoyarsk Region and the Murmansk Region) makes such forums, conferences, and other similar events a key driver in attracting investments, addressing environmental protection issues, and facilitating the development of the Arctic fleets, ports, and navigation along the Northern Sea Route. At the end of the day, these efforts help integrate the regions into a common economic space of the Arctic and the wider global economy.

In November 2019, Nornickel representatives attended the 18th session of the General Conference of the United Nations Industrial Development Organisation (UNIDO) held in Abu Dhabi, UAE. During the session, LI Yong, Director General

In November 2019, Nornickel representatives attended the 18th session of the General Conference of the United Nations Industrial Development Organisation (UNIDO) held in Abu Dhabi, UAE. During the session, LI Yong, Director General of UNIDO, and Dmitry Pristanskov, Vice President of Nornickel, signed a joint declaration to team up in developing projects aimed at reducing environmental impact and ensuring sustainable development across Nornickel's regions of operations. The partnership with UNIDO enables Nornickel to leverage the international organisation's global experience and expertise when developing environmentally sound technologies for the metals industry and verifying that Nornickel's environmental projects meet the highest standards of advanced technology.

of UNIDO, and Dmitry Pristanskov, Vice President of Nornickel, signed a joint declaration to team up in developing projects aimed at reducing environmental impact and ensuring sustainable development across Nornickel's regions of operations. The partnership with UNIDO enables Nornickel to leverage the international organisation's global experience and expertise when developing environmentally sound technologies for the metals industry and verifying that Nornickel's environmental projects meet the highest standards of advanced technology.

RELOCATION PROGRAMME

In 2019, Nornickel and the Russian Government continued their joint implementation of a long-term target programme to relocate people from Norilsk and Dudinka (Krasnoyarsk Region) to other Russian regions with a better climate. The programme provides for financing families entitled to relocation under government programmes and registered to purchase an apartment in Norilsk or Dudinka. The programme runs from 2011 and to 2020, with Nornickel operating as its sponsor.

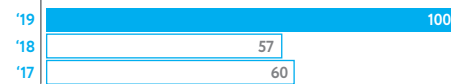
Since its launch until the end of 2019, the Company has donated a total of RUB 7,821 mln (USD 195 mln) under the programme. In 2011–2019, 7,586 families purchased and moved into new homes on the “mainland” under the programme.

INFRASTRUCTURE DEVELOPMENT

In 2019, Nornickel and the administration of Norilsk continued landscaping the embankment of Lake Dolgoye in Norilsk. According to the plan, the project's phased implementation takes place over a five-year period completing by the end of 2021. Its concept design provides for constructing sports areas and children's playgrounds, a rental outlet to rent skis, roller skates, bicycles and other equipment, a boat station, a cafe, a skate park, and a rollerdrome, street landscape lighting, hardscaping, asphalt paving and planting.

The following projects implemented in the Murmansk Region were financed by Kola MMC

Expenditure on infrastructure development and social facilities (USD mln)



in partnership with local municipalities and non-governmental organisations:

- Renovation of the central embankment and a part of the road network in Monchegorsk
- A new modern cinema theatre built and improvements made to a sports and play area in Zapolyarny.

In 2019, Nornickel and the Zabaykalsky Region Government continued implementing their cooperation agreement, with the Company allocating RUB 420 mln (USD 6.5 mln) to finance social projects of the Zabaykalsky Region Government and local municipalities. Initiatives so financed include:

- initiatives to engage the general public in socially beneficial activities, identify and roll out best practices, including fostering non-governmental and not-for-profit organisations (the Power of People project, support for the Veterans Council, etc.) and key culture and arts projects (Zabaykalsky International Film Festival, and support for publishers)
- educational projects to find young talent and unlock their potential (Quantorium science park for children, as well as Territory of Growth! and Successful School – Successful Future projects)
- projects and initiatives to promote healthy lifestyles and amateur sports (Healthy Zabaykalsky Region project)
- social and economic development projects of the Gazimuro-Zavodsky District
- projects to build a people-friendly environment reflecting the local environmental and climatic profile (Green Zabaykalsky Region project)
- renovation of the Dekabristov Square in Chita, with a modern, people-friendly space created in the city centre over three years as a place for social events and a recreation magnet for locals, featuring themed leisure and sports zones.

ENGAGEMENT WITH THE GOVERNMENT ON SOCIAL INITIATIVES

Nornickel interacts with federal legislative and executive authorities, and civil society institutions. Nornickel is represented and promotes its interests in 23 committees, councils, commissions, expert panels, and working groups established by the government in association with the business community, thus supporting socially important projects. Currently, Nornickel mainly cooperates with the working groups of the Government Commission on the Use of Natural Resources and Environmental Protection. Nornickel is also actively involved in the expert councils of regional authorities across its geographies, including the Krasnoyarsk Region Governor's Council for Strategic Development and Priority Projects.

Nornickel's representatives take part in parliamentary hearings 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, the Association of Managers interregional public organisation, etc.

Nornickel's experts engage in draft regulation discussions as part of open government and local councils under federal executive bodies, as well as in anti-corruption due diligence and regulatory impact assessments. This all helps to maintain a constructive dialogue with the government, cut red tape, and improve the country's business climate.

The retrofit of Norilsk Airport was an important step in developing the infrastructure of the Russian Arctic. Between 2016 and 2018, the airport's runway was repaved without interrupting the air traffic. In 2019, the apron was also repaved; the patrol road, perimeter fencing, wastewater treatment facilities, and emergency response station were completed, and power supply facilities were retrofitted. Capital

investment in the project totalled about RUB 12.5 bn (USD 193 mln), including RUB 5 bn (USD 77 mln) invested by Nornickel. The retrofitted Norilsk Airport will become one of the most advanced airport complexes in the Arctic.

CHARITY PROGRAMMES

World of New Opportunities programme

Nornickel runs the World of New Opportunities charity programme to provide sustainable development capabilities and opportunities to communities across its regions of operation. The programme aims at developing soft skills in local communities, demonstrating and introducing new social technologies, supporting and encouraging community initiatives, and creating a favourable environment for cross-sector partnerships.

The programme was updated in September 2019.

Develop! — partnership for local development. Key activities: the Socially Responsible Initiatives Competition, We Are the City! social technologies forum, Social Engineering Bureau, Non-Profit Accelerator, We Are the City! PicNick event, City Event Workshop, Peremena education project, School of Urban Competencies, and travel grants for social entrepreneurs. In 2019, the Socially Responsible Initiatives Competition received 507 entries – a record high since the project was launched in 2014.

Act! — service economy development and growth. Within the initiative, Nornickel runs the following

Charity expenses (USD mln)



programmes: the Social Entrepreneurship training course, Mentor Institute, Social Entrepreneur Club, Convention of Social Entrepreneurs from the North, Social Entrepreneurship Accelerator Programme, and travel grants for social entrepreneurs. In 2019, five social entrepreneurs were granted business development loans under the World of New Opportunities charity programme.

Create! – building the infrastructure for accelerated regional development and improved living standards in Nornickel’s regions of operation. The initiative is implemented through the Norilsk Development Agency and the Second School Centre across four areas: Business, Development/Urban Environment, Tourism, and Social and Cultural Projects.

During 2019, over 45,000 local residents in Nornickel’s regions of operation took part in Nornickel’s social programmes.

The City Resident’s Social Portrait survey

From October 2018 to February 2019, Nornickel ran the “City Resident’s Social Portrait” survey aimed to gain insight into the real state of affairs in our communities by compiling the local populations’ social portraits and use the findings to inform local development priorities for the next decade. The survey is unique in that it uses computational sociology, i.e. machine learning, to analyse respondents’ digital profiles.

The survey covered a total 8,078 residents in Norilsk, Monchegorsk, Zapolyarny, and Nickel, with over 33,000 opinions and proposals received from local communities. The respondents’ perspectives on the existing gaps and their vision for what their community will be like in 10–15 years enabled the survey team to identify and understand the key trends for community development.

Nornickel will consider local residents’ expectations when developing production and social programmes for its employees and communities in its regions of operation.

The Plant of Goodness corporate volunteer programme

Nornickel’s social policy remains a key pillar of its development strategy and the foundation of its corporate social responsibility. A shift from paternalism to partnership has enabled Nornickel to build mutually beneficial relations not only with business and local communities but also with its employees.

The Plant of Goodness project is a vivid example of such engagement: it has institutionalised and consolidated Nornickel’s existing experience and traditions of social and environmental initiatives. Originally launched in Moscow only, the programme has since been extended to Norilsk, Monchegorsk, Zapolyarny, and Chita, acting as an engagement tool that creates new opportunities, unlocks people’s potential and strengthens their links to their communities. When people are directly involved in transforming their social environment, they inevitably become more engaged with it.

The Poneslos (“Let’s Roll”) environmental initiative that grew out of regular volunteer weekends has become one of Nornickel’s most prominent social projects. In addition to urban landscaping, the initiative now includes environmental awareness activities, and has grown to 17,000 participants.

The programme’s key areas:

- Personal donations programme (through the corporate intranet portal)
- Corporate charity events
- Volunteers in the City partnership project
- Poneslos (“Let’s Roll”) environmental initiative
- Eco-convention
- Employee volunteering projects
- Volunteer studios
- Skill building programmes
- Plant of Goodness leaders

In 2019, the Plant of Goodness corporate volunteer programme raised over RUB 4 mln through charitable donations by employees and ran 209 volunteer campaigns and events.