

Corporate bodies

General Meeting of Shareholders

According to the Federal Law on Joint Stock Companies and the Charter of MMC Norilsk Nickel, the General Meeting of Shareholders is the Company's supreme corporate body.

The Annual General Meeting of Shareholders is held on an annual basis not earlier than three months before and not later than six months after the end of the financial year. General Meetings other than Annual General Meetings of Shareholders are defined as Extraordinary General Meetings of Shareholders and are held as per resolution of the Board of Directors at their discretion or at the request of the Auditing Commission, the Company's auditor, or shareholders who own at least 10% of the Company's voting shares as at the date of the request. For more details on the procedures to convene, prepare for and conduct general meetings, see the *Regulation on the General Meeting of Shareholders of MMC Norilsk Nickel*.

The notice of a General Meeting of Shareholders shall be published in the Rossiyskaya Gazeta newspaper and the Taimyr newspaper and posted at the Company's website (<http://www.nornik.ru>) not later than 30 days prior to the date on which the General Meeting is to be held. If a General Meeting is conducted in the form of absentee voting (by ballot), notice of the meeting shall be given in the above newspapers at least 30 days prior to the deadline set for the collection of ballot sheets.

Norilsk Nickel shareholders, including both holders registered in the shareholder register and clients of nominal holders (information on such clients is provided by the nominal holders), shall receive a ballot from the Company and are entitled to exercise their voting rights by sending the ballot sheet via mail, or by attending the General Meeting of Shareholders (in person or by proxy).

American Depositary Receipt (ADR) holders do not receive ballot sheets of a General Meeting directly from the Company. According to the Depository Agreement, the Company notifies the Depository, which in turn in the

shortest possible time, and provided it is not prohibited by the Russian law, notifies ADR holders about the General Meeting, and encloses voting materials and a document describing the voting procedure for ADR holders. To exercise their voting rights, ADR holders instruct the Depository accordingly.

A General Meeting of Shareholders shall be considered properly convened (having a quorum) if the shareholders who own in aggregate more than 50% of the votes granted by the voting shares of the Company are present at the meeting.

Shareholders owning at least 2% of the Company's voting shares may propose items to be included in the agenda of Annual General Meetings of Shareholders, and may put forward candidates for election to the Board of Directors and Audit Committee of the Company subject to the extent and within the deadlines established by the Federal Law and the Company's Charter.

Voting at the General Meeting of Shareholders shall be conducted in accordance with the "one share, one vote" rule, unless otherwise provided for in the Federal Law. Members of the Company's Board of Directors are elected through cumulative voting, i.e. when the number of votes held by each shareholder is multiplied by the number of persons to be elected to the Board of Directors.



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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.