

Development of Presence Regions



Strategic priorities



World of New Opportunities



Social infrastructure development with nature reserves



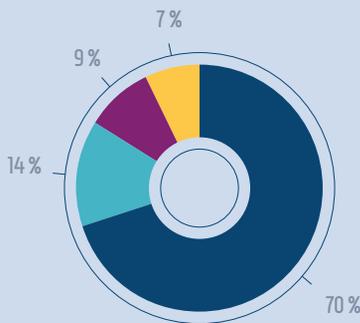
Resettlement programme



Support to the indigenous population

FINANCING OF STRATEGIC INITIATIVES IN 2015:

148
USD m



	USD m
Charity	104
Construction and reconstruction of social infrastructure	20
Resettlement programme	14
Social needs	10

In 2015, the Company continued implementing a long-term target programme to relocate people living in Norilsk and Dudinka (Krasnoyarsk Territory) to the Russian regions with favourable climate conditions.

WORLD OF NEW OPPORTUNITIES

World of New Opportunities, a charity programme, seeks to create propitious conditions and opportunities for sustainable development across the Company's footprint. Grants are provided to public initiatives in three focus areas: partnership, innovations and development.

Partnership

The Company supports public initiatives and, to that end, provides over USD 82,000 in grants for non-profit organisations and municipalities. In 2015, the initiative saw 400 project applications, out of which 108 were approved for funding by the experts.

The Company aims to impart new skills and competencies to the participants contributing to the development of the local expertise. In June 2015, Norilsk Nickel staged the first edition of a three-day "social engineering" workshop for social activists, which combined theory and practice encompassing stages from idea generation to its implementation. In just three days, 70 workshop participants from Norilsk and Monchegorsk developed and staged seven city events reaching out to over 2,500 local residents.

Innovations

The Company also promotes the R&D creativity and engineering skills among the youth. In the autumn of 2015, Norilsk and Monchegorsk hosted the *Arctic Wave* festival of R&D discoveries. In just two days, the participants plunged into a world of scientific experiments and technical innovations. The festival featured Russia's first *Science Battle 13+* intellectual games, *X-Files* quest, science shows, engineering contests, public lectures and *Arctic Night* programme. Over eight thousand people participated in the festival events.

For the second year running, the Arctic.PRO R&D marathon drew in over 650 schoolchildren aged 12 to 15.

Development

The Company promotes social entrepreneurship engaging active citizens and the business community to address social issues in the regions through the implementation of business projects.

In 2015, six business projects were approved for interest-free loans worth USD 438,000.

In 2015, total funding under the World of New Opportunities charity programme amounted to USD 1.8 m (around RUB 112 m)

SOCIAL INFRASTRUCTURE DEVELOPMENT

The Company is actively involved in the development and renovation of social infrastructure all across its footprint, looking to create accessible and comfortable environments for working and living.

Norilsk Nickel contributes to the social development of Norilsk, Monchegorsk, the Taimyrsky Dolgano-Nenetsky Municipal District (Krasnoyarsk Territory), Pechengsky District (Murmansk Region) and Tazovsky District (Yamal-Nenets Autonomous Area) through both agreements with federal and local authorities and corporate socially aware business projects.

One of the key 2015 projects for the Company and the city of Norilsk was the opening of an indoor water park and a fitness centre in the Arena Norilsk mall. With a total floor area of 7,980 sq m, the facilities received funding of over USD 12 m, including USD 11 m in 2015.

The Company allocated USD 4.5 m to develop design and cost estimate documents for the runway renovation.

In August, the Company commissioned a housing block with 61 one-bedroom apartments that can accommodate 122 young professionals. Norilsk Nickel invested nearly USD 3 million in the project, including some USD 2 million in 2015.

In 2015, the 7+244 km road bridge reconstruction project was completed¹. The total 2014–2015 project capex amounted to over USD 1.6 million, including more than USD 1.2 million in 2015.

The Company recognises the rights of indigenous minorities residing across the Company's footprint and provides assistance to the indigenous peoples of the North contributing to the social and economic development of the Taimyrsky Dolgano-Nenetsky Municipal District (Krasnoyarsk Territory) and the Yamal-Nenets Autonomous Area.



For more details on construction and reconstruction of social infrastructure, see the CSR report

¹The 7+244 km bridge is a road bridge over high-pressure water mains near TPP-1, part of the southwestern bypass with an access route leading to Norilsk's Central District through the Talnakh District. Under the bridge are Norilsk's water and heating supply pipelines. As the bridge connects the residential and industrial areas of the Central District, it is an important and widely used piece of urban infrastructure.

Sustainable Development

SUPPORT TO THE INDIGENOUS POPULATION



Indigenous Peoples' Day on the Taimyr Peninsula

As part of this assistance, the Company provides air travel opportunities for the indigenous people and ensures delivery of vital supplies to and from remote villages in the Taimyrsky Dolgano-Nenetsky Municipal District.

In 2015, the Company provided over USD 90,000 for these purposes.

On a separate note, the Company contributes to the preservation of the indigenous peoples' traditions, lifestyle, national language and culture, helping to stage festivals for the indigenous peoples of the North.

In 2015, the Company spent USD 167,000 to purchase gifts and prizes for such national festivals and sponsor the Congress of the Indigenous Peoples Association in Dudinka.

For the second year running, the Company has provided financial aid for the Krasnoyarsk Federation of Northern Multisport Races to hold an open northern multisport race championship among Krasnoyarsk Territory's juniors. The 2015 donation was USD 25,000.

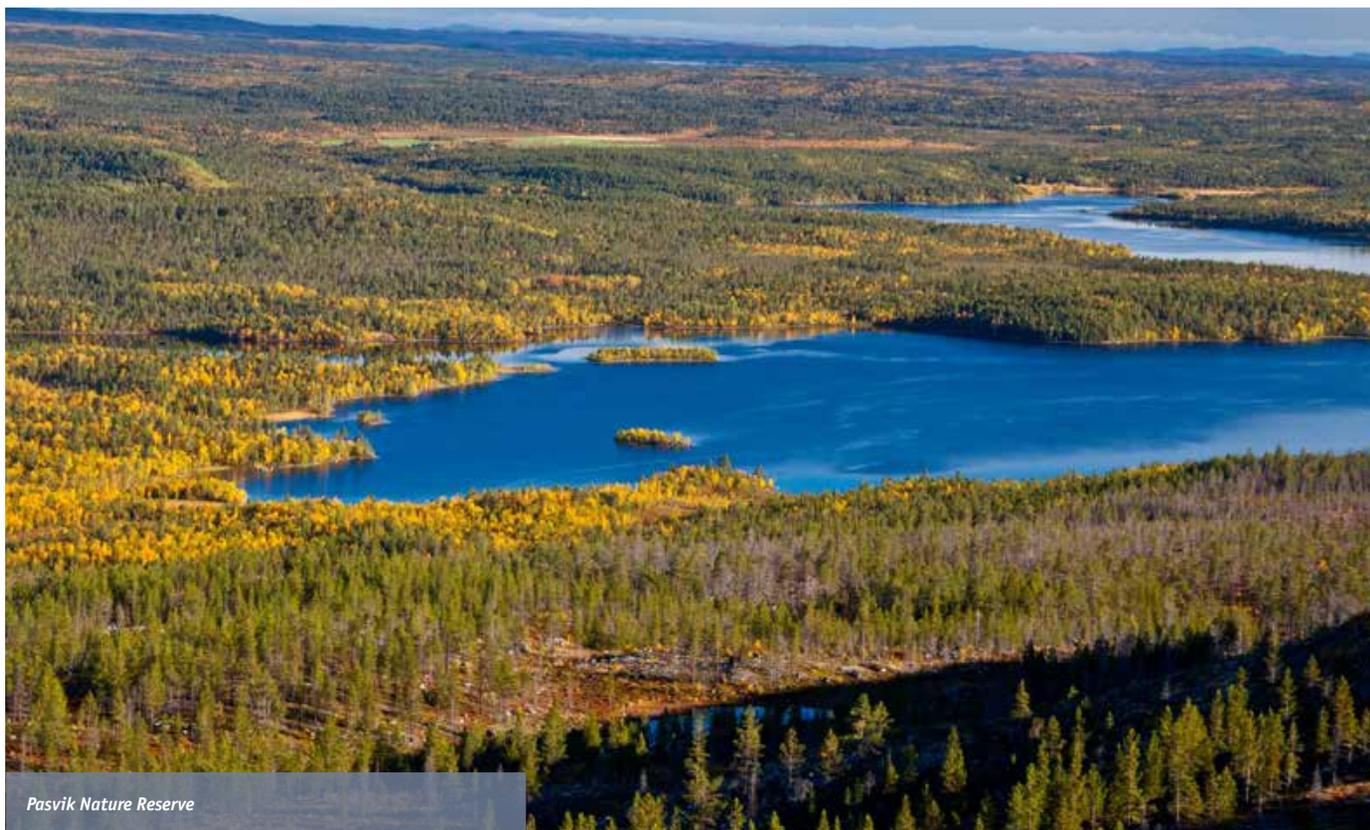
The Company also invests in the construction of schools, community centres and other social infrastructure in the Taimyrsky Municipal District and the Yamal-Nenets Autonomous Area. In 2015, the Company provided funding of over USD 497,000 for these purposes.

In 2015, the Company did not commit any violations affecting the rights of the indigenous minorities.

497
USD thousand

invested by the Company in the construction of schools, community centres and other social infrastructure in the Taimyrsky Municipal District and the Yamal-Nenets Autonomous Area

COOPERATION WITH NATURE RESERVES



Pasvik Nature Reserve

Taimyr Peninsula

In 2015, the Joint Directorate of Taimyr Nature Reserves went on with the implementation of two projects selected for social responsibility funding of USD 91,000 under MMC Norilsk Nickel’s *World of New Opportunities* charity programme. Those are:

- development of tourist and trekking infrastructure at Lama, Glubokoye and Sobachye Lakes (construction of a camping station at Lama Lake and base stations on the trekking route across Lama, Glubokoye and Sobachye Lakes to ensure comfort and safety for tourists);
- environmental summer scout camp (an environmental and ethnographic summer school for children).

Following the new social responsibility competition in 2015, the Joint Directorate of Taimyr Nature Reserves will receive funding for the following 2016 projects:

- Save the Bighorn Together
- Hatanga Crafts Festival
- Environmental Camp

■ Projects to be funded in 2016

PROJECT	PROJECT GOAL	AMOUNT OF FINANCING IN 2015
Save the Bighorn Together	The project aims to study and save this endangered species of the Putorana Plateau	USD 82,000
Hatanga Crafts Festival	The project aims to provide a space for demonstration, experience sharing and transfer of northern craftsmen's know-how in order to revive the indigenous peoples' forgotten crafts	USD 11,000
Environmental Camp	The project aims to set up a summer field camp in the protected area of the Putoransky Nature Reserve	USD 16,000

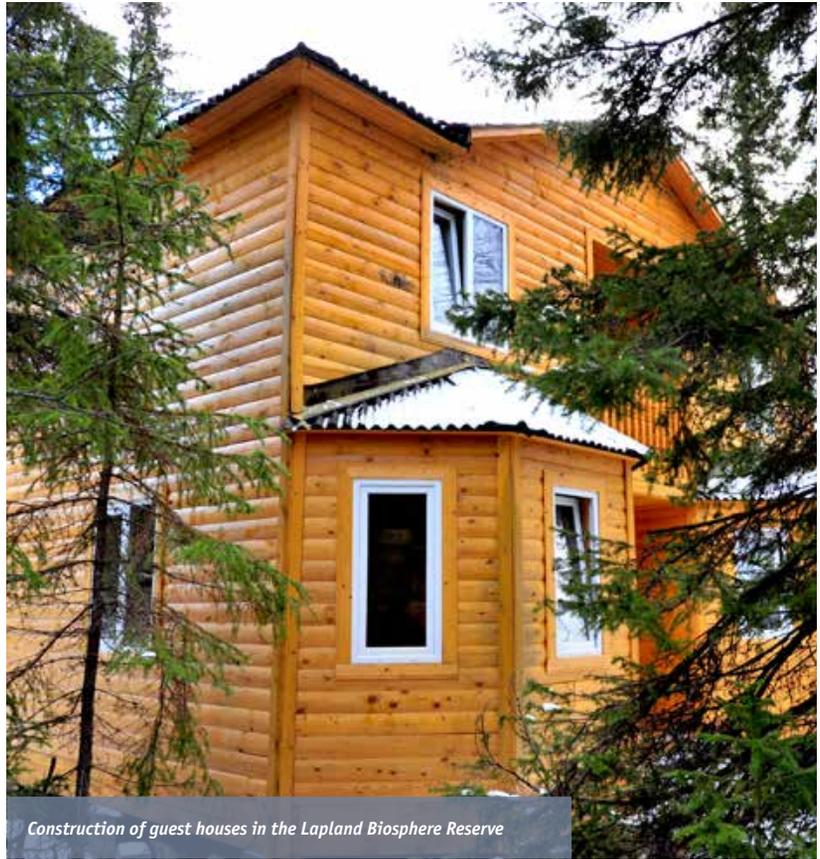
Sustainable Development

Kola Peninsula

In 2002, Kola MMC signed contracts with the Lapland Biosphere Reserve for the development of methodology to reclaim disturbed natural environments in the areas affected by permanent emissions from Severonickel Plant and monitor the Monchegorsk District and the Lapland Biosphere Reserve going forward. The data obtained during a scientific research provided a basis for the subsequent contractual work to reclaim disturbed lands, and bring about sanitary and fire-protection improvements in the forest areas. In 2015, the value of the contract signed with the Lapland Biosphere Reserve was USD 57,000.

Since 2006, under a contract signed with Kola MMC, the Pasvik Nature Reserve has been running an ecological assessment of the natural environment in the area of Pechenganickel Plant (Zapolyarny, Nickel and their suburbs, including the Pasvik State Nature Reserve), and developing a long-term monitoring framework. In 2015, the value of the contract signed with the Pasvik Nature Reserve was USD 33,000.

In 2015, the Pasvik State Nature Reserve participated in a competition of socially responsible initiatives under MMC Norilsk Nickel's World of New Opportunities charity programme and was approved for funding for its Pechengsky District project to develop the Pasvik State Nature Reserve research database and promote an effective dialogue at the Russia-Norway border.



Construction of guest houses in the Lapland Biosphere Reserve

PUBLIC-PRIVATE PARTNERSHIP

Resettlement programme

In 2015, the Company continued implementing a long-term target programme to relocate people living in Norilsk and Dudinka (Krasnoyarsk Territory) to the Russian regions with favourable climate conditions.

Over the span of 10 years, the programme envisages the relocation of 11,265 families (1,126 families per year) from Norilsk and Dudinka, that are entitled to resettlement under the dedicated government programmes and are registered at the respective municipalities. The Company acts as the programme sponsor donating a total of USD 191 million.

Since the launch of the programme, the Company has contributed USD 128 million to the Krasnoyarsk Territory budget, including USD 14 million in 2015.

In 2011–2015, some 5,008 families (data for February 2016) purchased apartments and moved to the mainland, including 4,119 families from Norilsk and 889 families from Dudinka.

In 2015, Krasnoyarsk Territory's Ministry of Construction, Housing and Utilities issued a total of 954 home purchase certificates under the applicable housing quota.

The participants will be able to purchase residential property under the 2015 quota until the end of July 2016.

■ Resettlement deliverables in 2011–2015						
ITEM	2011	2012	2013	2014	2015	TOTAL
The Company's contribution, USD m	40.2	26.7	26.1	21.6	13.6	128.2
Total apartments purchased	1,137	1,013	1,102	1,038	718	5,008
including in Norilsk	957	850	881	862	569	4,119
including in Dudinka	180	163	221	176	149	889

128
USD m

contributed by the Company to the Krasnoyarsk Territory budget since the launch of the programme, including USD 14 million in 2015

NORILSK AIRPORT RECONSTRUCTION

At the instruction of the President of the Russian Federation, the 2010–2020 Federal Russian Transport Development Programme approved by the Resolution of the Russian Government on 15 May 2014 has been amended to include the reconstruction of the Norilsk Airport facilities and associated infrastructure maintenance works. The key objective is to reconstruct the airport's runway. The project will be implemented under the 2014–2018 public-private partnership agreement made between PJSC MMC Norilsk Nickel and the Federal Air Transport Agency.

The Norilsk Airport will be used by cargo, passenger and special aircrafts, including those belonging to the Russian Emergencies Ministry. The airport is expected to become the centrepiece of Russia's Arctic Zone development project.

The reconstruction funding has been already approved. USD 159 m will be sourced from the federal budget, whereas MMC Norilsk Nickel will contribute some USD 49 m.

In 2014–2015, the Company provided funding for the project's design and cost estimate documents. In March 2015, Russia's State Expert Review Board approved the documents. In September 2015, the Civil Airport Administration, the reconstruction manager, signed a government construction contract with Transstroyemkhanizatsiya. The project involving renovation of the 2,800-meter runway, airport fencing, patrol road, power facilities, light signals and radio equipment is scheduled for completion within 850 days. Total costs amount to USD 97 m.

In 2016, the airport is expected to open for landings and takeoffs of Boeing 737-800 and similar aircrafts from across the route network, along with accommodating regular seasonal passenger volumes. For the summer seasons of 2017 and 2018, we are considering several options: the airport might either switch to light aircrafts or keep serving Boeings with reduced take-off and landing weights.

SPONSORSHIP

One of Norilsk Nickel's social policy highlights is the support of professional and high performance sports in Russia. The Company provides financial aid to major competitions, sports clubs and federations.



FOOTBALL UNION OF RUSSIA AND RUSSIA'S NATIONAL FOOTBALL TEAM

In line with the sponsorship agreement, MMC Norilsk Nickel is an official partner of the Russian Football Union and Russia's national football team. The Company has been recognised as the Football Union's exclusive partner from the metals industry.



2019 WINTER UNIVERSIADE IN KRASNOYARSK

In 2015, MMC Norilsk Nickel became the general partner of the 29th Winter Universiade in Krasnoyarsk, having donated over USD 16 m to stage the event.



CSKA PROFESSIONAL BASKETBALL CLUB

MMC Norilsk Nickel has supported Russia's most successful and award-winning professional basketball club for over 20 years. During this time, the team won the Euroleague, Europe's most prestigious basketball competition, for two times, became an 18 time Russian champion, won the VTB United League five times, and got many other sports awards.



MINI FOOTBALL CLUB NORILSK NICKEL

MMC Norilsk Nickel is the title sponsor of the mini football club Norilsk Nickel. Over the past 17 years, the club has made remarkable progress. It has won the Russian championship, got two silver medals at Super League matches and been the Russian Cup runner-up for two times.