APPROVED
by the Board of Directors of PJSC MMC NORILSK NICKEL

(Minutes No. GMK/36-pr-sd dated 29 November 2021)

PJSC MMC NORILSK NICKEL's Tailings Management Policy

First edition.
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Contents

1. Scope

1.1 This Tailings Management Policy (the "Policy") defines the goals, principles, rules, requirements and restrictions for PJSC MMC Norilsk Nickel's (the "Company") efforts to ensure the safe operation of tailings storage facilities throughout their life cycle.

1.2 This Policy applies to employees of the Company and the Russian Business Units of Norilsk Nickel Group (the "NN RBUs") involved in managing tailings storage facilities, including a range of activities related to exploration, mining, concentration, refining, finished products production, marketing, and sales of non-ferrous and precious metals, selenium, tellurium, and sulfur.

1.3 The Policy is a foundational document that informs decision-making on tailings management at the Company and NN RBUs, and on the development of regulations surrounding tailings management that detail the provisions of this Policy.

1.4 The Company promotes the goals, principles, and commitments set out in this Policy among its employees, establishing greater accountability for ensuring the safe operation of tailings storage facilities throughout their life cycle.

1.5 The key rules for documenting operations, maintaining document flow, and ensuring the security of records at the Head Office are set out in the Guidelines on Records Management at the Head Office of MMC Norilsk Nickel, the Regulations on Preparing Records and Managing Archives at the Head Office of MMC Norilsk Nickel, and in local regulations on records and archive management at standalone units / NN RBUs.

2. Goals and objectives

As a signatory to the UN Global Compact, the Company is fully committed to the UN Sustainable Development Goals (the "SDGs"), in particular SDG 3: Good Health and Well-being, SDG 6: Clean Water and Sanitation, SDG 12: Responsible Consumption and Production, and SDG 15: Life on Land. Despite the fact that all tailings storage facilities operated by the Company and NN RBUs are located at a significant distance from production facilities and communities, the Company and NN RBUs recognise tailings storage facilities as higher-risk assets with significant potential environmental and social impacts.

The Company and NN RBUs ensure the safe operation of their tailings storage facilities, regularly monitor the condition of hydraulic structures, and inspect discharge sites, as well as adjacent areas.

The Company and NN RBUs continue to build up and leverage a comprehensive knowledge base, while developing measures to protect whistleblowers and employees submitting improvement suggestions for tailings management, as well as other incentives.

Key goals and objectives in tailings management are presented in Table 1.

Table 1. Goals and objectives in tailings management

No.	Goal	Objectives
1	2	3

No.	Goal	Objectives
1.	Responsibly manage tailings storage facilities and recycle as much mineral processing waste as possible	– ensure the safe operation of tailings storage facilities throughout their life cycle, including their design, construction, operation, care and maintenance, and closure, and establish relevant KPIs for their operational staff; – tailor construction and operation technologies to the unique technical, engineering, geological, geodesic, and chemical characteristics of each tailings storage facility; – adopt best practices, standards, and best available technologies to ensure and maintain the effective and safe operation of tailings storage facilities; – search for technology solutions to ensure high rates of recycling and reuse of mineral processing waste; – develop strategies for managing mineral processing waste
2.	Ensure safety and mitigate risks throughout the life cycle of tailings storage facilities. Seek to reduce the risks of emergencies to zero	– monitor tailings storage facilities and evaluate their technical condition; – ensure the integrity and safety of tailings storage facilities, enable timely responses to changes during their life cycle; – ensure that relevant systems, standards, material and financial resources are in place to prevent potential emergencies; – ensure a mature and effective risk management framework is in place
3.	Disclose information on the safe operation of tailings storage facilities	– publish materials on the safety of tailings storage facilities on the Company's website

3. Principles, requirements and restrictions

3.1 Key principles of tailings management are presented in Table 2.

Table 2. Principles of tailings management

No.	Principle of tailings management
1	2
1.	Improve the management of, and control over, the Company's and NN RBUs' tailings storage facilities throughout their life cycle
2.	Promote greater management accountability for mineral processing waste disposal
3.	Manage tailings in line with Russian law and taking into account the requirements of ICMM, IRMA, and the Global Industry Standard on Tailings

No.	Principle of tailings management
	Management
4.	Adopt best practices and best available technologies to ensure and maintain the effective and safe operation of tailings storage facilities
5.	Ensure corporate resource planning and allocation
6.	Manage relevant risks and changes when operating tailings storage facilities
7.	Ensure that appropriate emergency preparedness and response plans are maintained and updated. Conduct regular drills (tests) in emergency response, taking into account the hazard classification of a tailings storage facility and Russian law
8.	Conduct regular inspections and maintain proper technical condition, including by running emergency response drills involving regional branches of EMERCOM, in line with Russian law
9.	Publish up-to-date information on performance targets in tailings management on the Company's and NN RBUs' websites
10.	Maintain compulsory insurance for tailings storage facilities in operation as stipulated by Russian law

3.2 Key requirements and restrictions in tailings management are presented in Table 3.

Table 3. Key requirements and restrictions in tailings management

No.	Requirements and restrictions in tailings management
1	2
1.	Ensure compliance with legal requirements for managing tailings and mineral processing waste
2.	Track and monitor the activities of Company production units operating tailings storage facilities within the scope of their responsibility
3.	Monitor the biodiversity within the impact areas of tailings storage facilities, and take follow-up response measures
4.	Recycle as much mineral processing waste as possible
5.	Monitor and, where necessary, make changes to the management framework within the existing roles and responsibilities to effectively manage risks
6.	Set requirements for employees' skills and experience, and conduct training on programmes for the safe operation of tailings storage facilities that have been developed by the Federal Environmental, Industrial, and Nuclear Supervision Service of Russia (Rostechnadzor), as well as expert and research organisations, taking into account global trends to ensure conformity with best practices
7.	Engage experts, business partners, and local communities on the safe operation of tailings storage facilities and their associated risks
8.	Oversee the allocation of the necessary resources (financial, operational, and human) for tailings management
9.	As part of the corporate risk management framework, integrate a tailored

No.	Requirements and restrictions in tailings management
	approach to each tailings storage facility, considering its geographical location and the presence of any nearby social infrastructures. Improve methods for monitoring and evaluating performance. Track and analyse possible changes in the operation of tailings storage facilities, and update documents on tailings storage facilities throughout their life cycle
10.	Update the emergency response plans for existing tailings storage facilities and develop new plans for new facilities, specifying roles, scope of responsibility, and procedures for informing local communities and regional authorities about the consequences of potential incidents, and conduct regular emergency response drills and training
11.	Taking account of operating and capital costs, as well as necessary human resources in business planning and management
12.	Continuously improve the procedures for analysing internal and external environments as part of risk management, with follow-up reports submitted to the Company's Board of Directors
13.	Analyse major accidents at tailings storage facilities in the mining industry (including outside Russia), and use the findings to further assess the potential operating risks of the Company's and NN RBUs's tailings storage facilities

4. Policy coverage

4.1. The Policy primarily covers:

Tailings storage facilities – a collection of special facilities and equipment designed to store mineral processing waste, including:

- hydrotransport systems;
- tailings storage systems;
- recirculating water supply systems;
- environmental protection systems;
- hydraulic structure monitoring systems.

5. Policy owners

5.1. Key tailings management policy owners are presented in Table 4.

Table 4. Policy owners

Governance bodies	Key responsibilities
1. Board of directors	
The Company's Board of Directors	Approves PJSC MMC NORILSK NICKEL's Tailings Management Policy and amendments thereto. Decides on strategic matters related to tailings management. Reviews management reports on the progress of strategic tailings management initiatives
Sustainable Development and Climate Change Committee of PJSC MMC Norilsk Nickel's Board of Directors	Follows up on the progress of the Company's tailings management strategy. Monitors the quality and performance of material tailings management initiatives.

Governance bodies	Key responsibilities
	Issues recommendations to the Board of Directors on the implementation of the tailings management strategy. Reviews reports from the Company's management on matters related to tailings management. Reviews the Audit Committee's recommendations on the effectiveness and quality of risk management and internal control related to tailings management. Reviews PJSC MMC NORILSK NICKEL's Tailings Management Policy and amendments thereto.
2. Management board	
Risk Management Committee under the Management Board of MMC Norilsk Nickel	Oversees key risks associated with tailings management. Ensures a response to key risks associated with tailings management is enacted. Issues recommendations to the Company's Management Board on key risks associated with tailings management.
3. Departments of the Company's Head Office	
Sustainable Development Department	Coordinates the integration of, and compliance with, the requirements of international standards, leading associations, and practices in tailings management. Ensures disclosure of information related to tailings management on the corporate website and in public non-financial reporting. Where necessary, initiates audits for compliance of tailings storage facilities with international standards.
Ecology Department	Follows up on the progress of programmes for environmental conservation, industrial environmental monitoring, remediation, and/or compensation of negative environmental impacts within the sites or impact areas of tailings storage facilities. Coordinates the activities of Company divisions and NN RBUs to align them with the requirements of Russian environmental laws for design, construction, operation, care and maintenance, and closure of tailings storage facilities.
Occupational Health and Safety Department	Monitors the emergency preparedness of production units operating tailings storage facilities.
Ecological Monitoring Centre	Monitors compliance with environmental safety requirements throughout the life cycle of tailings storage facilities and submits relevant reports to the Board of Directors and the Management Board.

Governance bodies	Key responsibilities
Inspection Department for Monitoring Technical, Production and Environmental Risks	Conducts inspections for high and critical-level technical, production, and environmental risks to review the quality of risk assessment and identify areas for improvement in managing technical, production, and environmental risks surrounding tailings management. Follows up on the progress of risk management measures addressing the inspected risks.
Risk Management Service	Develops company-wide risk management approaches and policies, and facilitates the adoption of company-wide risk management standards within the tailings management system, including identification, assessment, response, and follow-up. Follows up on the progress of initiatives to manage the Company's key risks, including with regard to tailings management. Generates internal consolidated reports on managing key governance risks, including with regard to tailings management, subject to and based on risk management reports prepared by Company divisions and NN RBUs.
Production and Technical Department	Coordinates the development, and follows up on the progress, of the Company's Production and Technical Development Strategy, including the provisions associated with tailings management. Reports to the Company's Board of Directors and Management Board on the implementation of the tailings management strategy. Initiates R&D for tailings management throughout the life cycle of tailings storage facilities. Follows up on the implementation of best practices in sustainability with regard to tailings management throughout the life cycle of facilities (design, construction, operation, care and maintenance, and closure), including the development and follow-up of standard operating procedures for tailings storage facilities throughout their life cycle. Verifies the availability of the necessary permits for tailings management.
Internal Audit Department	Assesses the performance of the risk management system.
4. The Company's Divisions and Norilsk Nickel Group corporate entities	

Governance bodies	Key responsibilities
Head of the Company's Division or Russian Business Unit of the Norilsk Nickel Group	Ensures the safe operation of tailings storage facilities throughout their life cycle in line with the rules and regulations in force in Russia, and with the requirements of leading international sustainability standards and associations approved in the Company's strategy. Ensures the availability of financial, production, and other resources associated with tailings management. Submits sustainability reports on tailings management, including risk management, to the Supervisor/Business Supervisor.
Production units of the Company and NN RBUs operating tailings storage facilities	Safely operate tailings storage facilities throughout their life cycle in line with laws and regulations of the Russian Federation, local regulations of the Company and Russian Business Units of the Norilsk Nickel Group, as well as the requirements of leading international sustainability standards and associations integrated into the Company and Russian Business Units of the Norilsk Nickel Group. Cooperates with Russian state supervisory bodies overseeing the operation of hydraulic structures. Ensures external audits and field supervision. Manages tailings management risks (identification, assessment and prioritisation, choice of a response method, development and implementation of an action plan, and monitoring). Submits reports to the Head of the Company's Division or NN RBU on tailings risk management. Implements plans, programmes, and initiatives in line with the principles and commitments set out in the Tailings Management Policy to support the implementation of the tailings management strategy.

6. Responsibility

6.1. The Director of the Production and Technical Department is liable for improper organisation or failure to monitor compliance with the requirements of this Policy.

6.2. The Director of the Production and Technical Department is responsible for making timely updates and amendments to this Policy.

7. General provisions

7.1. This Policy is subject to regular review by the Board of Directors (at least every 5 years).

Appendix A

Regulatory references

This Policy makes references to the following regulations, whether corporate or otherwise:

Federal Law No. 117-FZ	Federal Law No. 117-FZ (as amended on 8 December 2020), On Safety of Hydraulic Structures, dated 21 July 1997
Federal Law No. 116-FZ	Federal Law No. 116-FZ (as amended on 11 June 2021), On Industrial Safety of Hazardous Facilities, dated 21 July 1997
Federal Law No. 74-FZ	Federal Law No. 74-FZ (as amended on 2 July 2021), Water Code of the Russian Federation, dated 3 June 2006
Federal Law No. 7-FZ	Federal Law No. 7-FZ (as amended on 2 July 2021), On Environmental Protection, dated 10 January 2002
Federal Law No. 89-FZ	Federal Law No. 89-FZ (as amended on 2 July 2021), On Industrial and Consumer Waste, dated 24 June 1998
Global Industry Standard on Tailings Management	The Global Industry Standard on Tailings Management, dated 5 August 2020, developed by the International Council on Mining and Metals (ICMM), the UN Environment Programme (UNEP), and the Principles for Responsible Investment (PRI) initiative https://globaltailingsreview.org/wp-content/uploads/2020/08/global-tailings-standard_RU.pdf
ICMM requirements	ICCM members commit to adopt the ICCM's 10 Principles and eight position statements. These principles form a framework for the sustainable development of the metals and mining industry, and reflect the industry's best practices. https://www.icmm.com/en-gb/about-us/member-requirements
IRMA requirements	Critical Requirements in the IRMA Standard https://responsiblemining.net/wp-content/uploads/2020/07/IRMA-Critical-Requirements-v.1.0.pdf

Appendix B

Acronyms and abbreviations

Company	PJSC MMC NORILSK NICKEL
EMERCOM of Russia	The Ministry of the Russian Federation for Civil Defence, Emergencies and Elimination of Consequences of Natural Disasters
ICMM	The International Council on Mining and Metals, an international organisation dedicated to a safe, fair and sustainable metals and mining industry
IRMA	The Initiative for Responsible Mining Assurance, an international public organisation
KPIs	Key performance indicators
NN RBUs	Russian Business Units of the Norilsk Nickel Group

Appendix C

Terms

The terms below are integral part of this Policy.

Business Supervisor	A person who, in accordance with the Company's current internal regulations and taking into account opportunities stipulated by applicable laws, is responsible for overseeing the exercise of the Company's interests and the achievement of any goals and objectives of holding a stake in Norilsk Nickel Group corporate entities, as well as the day-to-day operations of these entities and their interaction with the Company.
Employee	An individual who has an employment relationship with the Company or a Russian Business Unit of the Norilsk Nickel Group, formalised in accordance with Russian labour law.
Head Office	A territorial unit of MMC Norilsk Nickel, with fixed workstations located in Moscow, St Petersburg, and Norilsk, whose organisational structure is approved by an order of the President of MMC Norilsk Nickel.
Mineral processing waste	By-products of mineral processing with a low content of valuable components, the further recovery of which is technically impossible or not economically viable.
Monitoring	A specially-designed system that allows for the regular observation of the state of facilities, events and processes, in order to assess, control or forecast them, or the continuous process of observing and recording a facility's parameters against specified criteria.
Production unit	A facility (a mine, plant, concentrator, etc.) that carries out production or business activities resulting in products and/or services, and that has its own organisational structure.
Sustainable development	Development that meets the needs of the present, without compromising the ability of future generations to meet their needs, through an integrated management approach focused on creating and multiplying long-term economic, social and environmental benefits.
Tailings storage facility	A collection of special facilities and equipment designed to store mineral processing waste.