

**SOCIAL PROGRAMMES FOR EMPLOYEES**

**Health improvement programmes for employees**

The harsh climate of the Far North and the heavy working conditions of the mining and smelting facilities require that the Company make an extra effort to protect its employees' health. Hence, health improvement and health resort treatment programmes for employees and their families are a key priority of the Company's social policy.

In 2016, over 10,000 employees and their families received recreational treatment in Zapolyarye Health Resort (Sochi) owned by the Company. Around 13,000 people spent their vacations in other health resorts, including over 5,000 people travelling to Bulgarian resorts.

Health resort treatment available to employees' children includes programmes for chronic disease prevention and summer vacation programmes. As part of this initiative, over 1,500 children spent their holidays in Anapa and Varna (Bulgaria).

**Sports programmes**

Sports programmes serve to promote a healthy lifestyle, foster corporate solidarity, and develop corporate culture. The Company pays special attention to corporate competitions, including in futsal, volleyball, basketball, alpine skiing, snowboarding and swimming.

The Company's employees are especially enthusiastic about the Dad, Mum and I – a Sporty Family corporate competition and the Polar Olympics held since 2015.

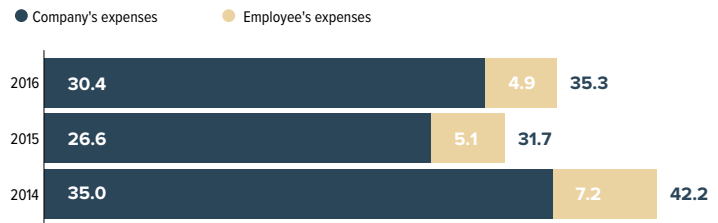
Events for local communities include annual Spartakiads. In Norilsk, the Spartakiad is held across 14 sports and is attended by about 4,000 people. One of Nornickel's social policy highlights is the support of amateur sports. In 2016, the number of participants in the Company's corporate sports events exceeded 20,000 people.

Nornickel's sports events are attended not only by its employees, but also by local communities.

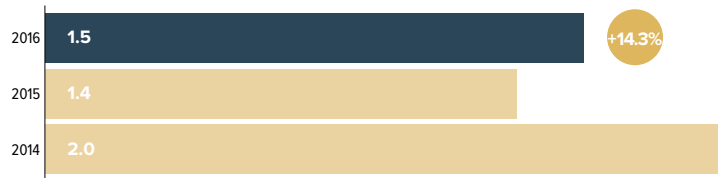
Health improvement and health resort treatment programmes for employees and their families are a key priority of the Company's social policy.



**Financing of health resort treatment and vacation programmes for employees and their families, USD mln<sup>1</sup>**



**Financing of sports programmes, USD mln**



In 2016, the number of participants in the Company's corporate sports events exceeded

**>20**  
thousand people



<sup>1</sup> Before 2015, the Company's expenses included the total cost of employee vacation packages. In 2015, the accounting system was changed, and now the expenses do not include the amounts paid by employees.



## Housing programmes



### Our Home and My Home programmes

These programmes aim to provide the Company's employees with housing in Russia's mild climate regions. The Company purchases ready-for-living apartments in various Russian regions, and provides them to eligible employees under co-financing agreements. In 2014–2016, apartment locations included the Moscow and Tver Regions and the Krasnodar Territory.

Our Home programme has been in place since 2010 and is intended for employees of Polar Division, Polar Transportation Branch and Kola MMC. My Home programme was launched in 2011 and covers 13 facilities operating in Norilsk, the Taimyrsky Dolgano-Nenetsky Municipal District and Murmansk Region. Since the roll-out of the programme, 2,841 apartments have been provided to the Company's employees. In total, the Company has purchased 3,404 ready-for-living apartments, including 560 ones in 2016.

Under the programme, the Company pays up to half the cost of the apartment (up to USD 30,000), with the rest paid by the employee within a certain period of employment with Norilsk Nickel (from five to ten years). The cost of housing remains unchanged for the entire period of the employee's participation in the programme. Ownership rights are registered at the end of the programme, but the employee may move in immediately after receiving the apartment.

The Company's commitment to purchase up to 550 apartments for its employees annually was included in the collective bargaining agreement for 2012–2015.

The Company's commitment to purchase up to

**560** apartments



**Assistance to employees in acquiring housing**

In 2016, the Company launched a new housing programme aimed at social support and employee retention, the Temporary Assistance Programme for Employees of Polar Division and Kola MMC in Acquiring Residential Property. The programme is now being piloted at Polar Division and Kola MMC. It is designed to provide the Company's employees with a greater choice in determining their future region of residence and quality of housing, and encourage them to make responsible decisions. To this end, the Company provides employees with interest-free loans to make a down payment due in up to ten years and partially repay mortgage loan interest. In 2016, there were 122 people participating in the programme.

Participating in the programme in 2016

**122** people

**Pension plans**

Norilsk Nickel offers its employees non-governmental pension plans.

Under the Co-Funded Pension Plan, the Company and the Company's employee make equal contributions to the plan.

The Complementary Corporate Pension Plan provides incentives for pre-retirement employees with considerable job achievements and a steady employment record.

**2016 Pension Plans**



**Financing of Co-Funded Pension Plan, USD mln**

