

Corporate responsibility

HR and social policy



2017 MILESTONE

In its rating HeadHunter recognised Nornickel as Russia's top employer in the metals and mining industry. This high ranking came as a result of the Company's efforts to build a strong team of professionals.

On top of that, MMC Norilsk Nickel was named the fourth most popular employer with job seekers.

Strategic focus

One of the Company's focus areas is to nurture corporate culture aimed at boosting employee performance and commitment to delivering against targets.

We view our people as the Company's key asset and keep investing in their professional and personal development to make sure we are on track with the accomplishment of our mission.

To further increase the efficiency of the corporate culture development programme, we integrated our values into the key HR management processes:

- recruitment (we used values to set targets and train the managers and HR staff in job interviewing);
- assessment (we launched a 360-degree review for top executives involved in value-based management);
- development (we developed an Our values training module, Program of the Workshop on the Application of the White Paper¹ and conducted a number of value assignment business games and a hands-on training session in Value-Based Management);
- succession planning (we aligned the training programme with our values).



Our key value is reliability. Throughout the Company's history, we have delivered on our commitments in production and social areas. Today, Nornickel is working hard to develop social infrastructure and digital economy, provide support to indigenous peoples and national minorities of the North, and markedly improve the environment across its footprint – from Taimyr to the Kola Peninsula and Zabaykalsky Krai. We joined forces with local authorities and communities to support the volunteer movement, provide grants to socially important projects, and aide charitable foundations, sports organisations and artistic associations. Over the last years, the unique expertise and know-how we have acquired have gained wide recognition from the Russian expert community. I hope that this annual report will help us share this experience with the industry and contribute to the enhancement of best domestic practices in corporate social responsibility¹.

Larisa Zelkova

Senior Vice President for HR, Social Policy and Public Relations

¹ The White Paper is a corporate publication that tells us what kind of culture we are building; what our common values are and what do they mean; how we achieve our goals. It is a desk assistant to the Company's management, a basic guide to corporate culture, a collection of techniques and practices, motivating examples.

In 2017, more than 3,500 managers, specialists and workers from the Group's 60 facilities took part in the corporate culture development training sessions and forums designed and organised by the Social Policy Department. The Company established working groups to develop and roll out business initiatives on improving systems and processes. In 2018, the programmes are set to have a wider coverage.

In the reporting year, the Company launched a series of personnel engagement management initiatives, which included:

- providing employees with an opportunity to maintain an ongoing dialogue with the management;
- assessing the staff motivation to achieve targets and approving changes in the business processes and working conditions based on objective data;
- identifying tools to enhance the competitive edge in human resources and boost the Company's appeal as an employer.

Over 73,000 employees from the Company's 32 facilities and Russian subsidiaries took part in the personnel engagement survey.

Our social and HR policy prioritises social stability of the workforce deployed across the Group's companies and geography.

Staff composition

In 2017, the Norilsk Nickel Group's average headcount totalled 78,000 people in Russia and 1,000 people abroad.

Most of the Russia-based employees (69%) work in Norilsk and the Taimyrsky Dolgano-Nenetsky Municipal District. Another 17% of the Group's Russian headcount work on the Kola Peninsula.

Evolution of the Norilsk Nickel Group's average headcount

Region/country of operation	2015	2016	2017
Russia	81,637	81,081	77,991
Africa	1 650	586	605
Europe	307	311	326
Asia	14	13	13
North America	10	10	10
Australia	6	5	5
Total	83,624	82,006	78,950

A decrease in the average headcount in 2017 was due to the disposal of non-core assets and implementation of a programme to improve labour productivity and reduce costs.

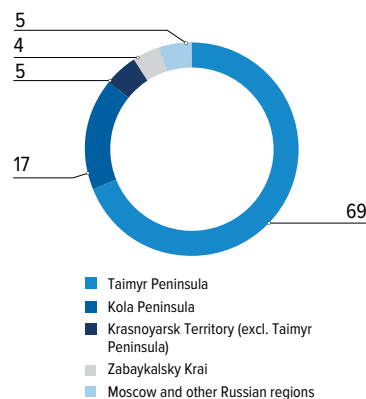
73
thousand of employees

from the Company's 32 facilities and Russian subsidiaries took part in the personnel engagement survey



Manifesto of our values

Headcount breakdown by Russian operations // %



Gender breakdown across Russian operations // %

