

## Corporate Human Rights Benchmark 2018 Company Scoresheet



**Company Name** Norilsk Nickel  
**Industry** Extractives  
**Overall Score (\*)** 14.6 out of 100

Theme Score	Out of	For Theme
2.7	10	A. Governance and Policies
0.7	25	B. Embedding Respect and Human Rights Due Diligence
2.5	15	C. Remedies and Grievance Mechanisms
2.5	20	D. Performance: Company Human Rights Practices
2.9	20	E. Performance: Responses to Serious Allegations
3.4	10	F. Transparency

(\*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2018 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

### Detailed assessment

#### A. Governance and Policies (10% of Total)

##### A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	The individual elements of the assessment are met or not as follows: Score 1 • Met: General HRs commitment: The Company states in its code that MMC Norilsk Nickel declares its adherence to the observation of human rights pursuant to the constitutions of the countries of its presence (Australia, the Republic of Botswana, Finland and South Africa) and laws of those countries, universally recognized principles and norms of international law presented by declarations, conventions and recommendations of the International Labor Organization and other international organizations'. On its website, as part of its principles and mission, it states that 'Nornickel declares its commitment to human rights as provided by the Constitution of the Russian Federation and other Russian laws, generally accepted principles and [...] recommendations of the International Labour Organisation'. [Business ethics code, 2012: <a href="http://nornickel.com">nornickel.com</a> & Mission and principles on website: <a href="http://nornickel.com">nornickel.com</a> ] Score 2 • Not met: UNGPs • Not met: OECD
A.1.2	Commitment to respect the human rights of workers	0.5	The individual elements of the assessment are met or not as follows: Score 1 • Not met: ILO Core: The Company states that it 'regulates labor relations in consistency with the standards of the International Labour Organization (ILO) and laws of the countries of the Company presence'. However, no specific commitment

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>found to the ILO Declaration and its core elements. [Business ethics code, 2012: <a href="http://nornickel.com">nornickel.com</a> &amp; Mission and principles on website: <a href="http://nornickel.com">nornickel.com</a>]</p> <ul style="list-style-type: none"> <li>• Not met: UNGC principles 3-6: Although the Company is signatory to the UNGC. [Mission and principles on website: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Not met: All four ILO apply to EX BPs</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: All four ILO Core: The code indicates that ‘we strictly obey the principles of the prevention of any form of discrimination and forced labor’. It also states that it wishes ‘to be a responsible party to labor relations with the observation of labor laws, terms of industrial agreements, the collective agreements and labor agreements with workers’. However it is not clear whether the Company is committed to respect the right of freedom of association and collective bargaining company-wide (the CSR report refers to collective bargaining agreements in the context of Russian operations). Finally, no evidence found in relation to commitment against child labour. [Business ethics code, 2012: <a href="http://nornickel.com">nornickel.com</a> &amp; CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Met: Respect H&amp;S of workers: The ethics code includes a statement and guidelines on labour protection and industrial safety. [Business ethics code, 2012: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Not met: H&amp;S applies to Ex BPs</li> </ul>
A.1.3.EX	Commitment to respect human rights particularly relevant to the industry (EX)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Based on UN Instruments</li> <li>• Not met: VPs participant</li> <li>• Not met: Uses only ICoCA members</li> <li>• Met: Respecting indigenous rights: The CSR report states that ‘the Company recognises the rights of indigenous minorities residing across the Company’s regions of operation and provides patronage assistance as part of the initiatives preserving and promoting the culture and traditions of the peoples in the Far North’. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Not met: ILO 169</li> <li>• Not met: UNDRIP</li> <li>• Not met: Expects BPs to respect these rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: FPIC commitment</li> <li>• Not met: Vol Guidelines on Tenure</li> <li>• Not met: IFC performance standards</li> <li>• Not met: Zero tolerance for land grabs</li> <li>• Not met: Respecting the right to water</li> <li>• Not met: Expects BPs to respect all these rights</li> </ul>
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Regular stakeholder engagement: The Company indicates in the CSR report that its ‘key stakeholders are employees, shareholders, investors, business partners, national authorities, local communities and Russian and International non-profit organisations’. The Company discloses for each group their key interests, the interaction mechanisms and the key interaction events in the last reporting year. Key interests include ‘favourable working conditions’, ‘decent salaries’, ‘development of tender-based procurement’, ‘social stability support in the Company’s geographies’, etc. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Commits to engage stakeholders in design</li> <li>• Not met: Regular stakeholder design engagement</li> </ul>
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Commits to remedy: Some evidence found, although restricted to environmental risks. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Not obstructing access to other remedies</li> <li>• Not met: Collaborating with other remedy initiatives</li> <li>• Not met: Work with EX BPs to remedy impacts</li> </ul>
A.1.6	Commitment to respect the rights of human rights defenders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Zero tolerance attacks on HRs Defenders (HRDs)</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Expects EX BPs to reflect company HRD commitments</li> </ul>

## A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: CEO or Board approves policy: The business ethics code is prefaced and signed by the CEO [Business ethics code, 2012: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Met: Board level responsibility for HRs: The Audit and Sustainable Development committee of the board has, among its functions, to perform 'regular analysis of the Company's policies, internal documents and procedures related to health, safety and environment for their compliance with business needs and regulatory requirements, and, if necessary, preparation of recommendations for the Board of Directors on their improvement. [Terms of Reference of Audit and Sustainable Development Committee, 10/2017: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Speeches/letters by Board members or CEO</li> </ul>
A.2.2	Board discussions	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Board/Committee review of salient HRs: Although the Board reviews health and safety matters. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Not met: Examples or trends re HR discussion</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both examples and process</li> </ul>
A.2.3	Incentives and performance management	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Incentives for at least one board member: The Company states that bonuses of the remuneration system for 'the President and members of the Management Board' are 'linked to the Company's performance, including both financial metrics (EBITDA, free cash flow) and non-financial indicators (lower workplace injury rates, stakeholder involvement, etc.). Therefore, health and safety is included. [Annual report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Not met: At least one key EX RH risk, beyond employee H&amp;S: Although health and safety is included in a board member performance incentive, it is not clear whether safety-related metrics include safety of local communities and workers of extractive business partners. [Annual report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>

## B. Embedding Respect and Human Rights Due Diligence (25% of Total)

### B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Senior responsibility for HR (inc ILO): The Company states that 'all executive efforts aimed at our CSR are coordinated by the Management Board, the President, and different Board Committees. However, it is not clear at which senior management position is allocated operational responsibility for human rights policies implementation. Also, no evidence found of the Company committing to each ILO core area. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Day-to-day responsibility</li> <li>• Not met: Day-to-day responsibility for EX BRs</li> </ul>
B.1.2	Incentives and performance management	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Senior manager incentives for human rights: The Company states that bonuses of the remuneration system for 'the President and members of the Management Board' (senior executive officers, 'in charge of day-to-day operations) are 'linked to the Company's performance, including both financial metrics (EBITDA, free cash flow) and non-financial indicators (lower workplace injury rates, stakeholder involvement, etc.). Therefore, health and safety is included. [Annual report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Not met: At least one key EX HR risk, beyond employee H&amp;S: Although health and safety is included in senior executives performance incentives, it is not clear whether safety-related metrics include safety of local communities and workers of extractive business partners. [Annual report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.3	Integration with enterprise risk management	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: HR part of enterprise risk system: The Company indicates in the annual report that key risks integrated in its risk management framework include workplace injury risk, risks related to social tensions in regions where the company operates and risks related to strained social and labour relations among the workforce. The Company also explains the suggestions of the risk management function to face the risks, including strictly abide by the collective bargaining agreements, opinion polls among local communities to learn about living standards, social sentiments, social projects to support employees families and a number of measures related to safety. [Annual report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Audit Ctte or independent risk assessment</li> </ul>
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Communicates its policy to all workers in own operations</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Communication of policy commitments to stakeholder</li> <li>Not met: How policy commitments are made accessible to audience</li> </ul>
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Steps to communicate policy commitments to BRs</li> <li>Not met: Including to EX BPs</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: How HR commitments made binding/contractual</li> <li>Not met: Including on EX BPs</li> </ul>
B.1.5	Training on Human Rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Trains all workers on HR policy commitments</li> <li>Not met: Trains relevant managers including security personnel</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> </ul>
B.1.6	Monitoring and corrective actions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Monitoring implementation of HR policy commitments: Although the Company indicates that risk mitigations for CSR risks include 'regular social monitoring across the Group's operations', no further details found. Also, in order to meet the requirements, the policies against which the company monitors its operations need to cover the ILO Declaration or all ILO core areas at a minimum. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Monitoring EX BP's</li> <li>Not met: Describes corrective action process</li> <li>Not met: Example of corrective action</li> <li>Not met: Discloses % of supply chain monitored</li> </ul>
B.1.7	Engaging business relationships	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: HR affects selection extractives business partners</li> <li>Not met: HR affects on-going business partner relationships</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirement under score 1 met</li> <li>Not met: Working with business partners to improve performance</li> </ul>
B.1.8	Approach to engagement with potentially affected stakeholders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Stakeholder process or systems: Although the Company describes stakeholder engagement in 2016, no evidence found in relation to the process to identify and choose stakeholders to engage in relation to human rights issues (the management system that allows interaction with affected stakeholders in human rights issues). [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>Not met: Frequency and triggers for engagement</li> <li>Not met: workers in SP engaged</li> <li>Not met: communities in the SC engaged</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Analysis of stakeholder views and company's actions on them</li> </ul>

## B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Identifying risks in own operations: Although the Company discloses the list of material aspects and boundaries, no evidence found of a formal system to identify which are the human rights risks that it faces. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>Not met: identifying risks in EX business partners</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Ongoing global risk identification</li> <li>Not met: In consultation with stakeholders</li> <li>Not met: In consultation with HR experts</li> <li>Not met: Triggered by new circumstances</li> <li>Not met: Explains use of HRIAs or ESIA (inc HR)</li> </ul>
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Salient risk assessment (and context)</li> <li>Not met: Public disclosure of salient risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> </ul>
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Action Plans to mitigate risks</li> <li>Not met: Example of Actions decided</li> <li>Not met: Including amongst EX BRs</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> </ul>
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: System to check if Actions are effective</li> <li>Not met: Lessons learnt from checking effectiveness</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Both requirement under score 1 met</li> </ul>
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Comms plan re identifying risks</li> <li>Not met: Comms plan re assessing risks</li> <li>Not met: Comms plan re action plans for risks</li> <li>Not met: Comms plan re reviewing action plans</li> <li>Not met: Including EX BRs</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Responding to affected stakeholders concerns</li> <li>Not met: Ensuring affected stakeholders can access communications</li> </ul>

## C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Met: Channel accessible to all workers: The CSR report states that 'the Company's Corporate Trust Service has operated since February 2010 to ensure prompt response to reported violations, abuses and embezzlement. To make a report, anyone is invited to call a toll-free hotline available 24/7 [...] or e-mail to [...]. The Service's geography covers all business units of the Company and Group members. The company reports on the performance of the channel, which shows the type of reports received, including human rights-related complaints. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Number grievances filed, addressed or resolved: The Company discloses the number of breaches for the last two reporting years and breaks them down by type: Categories of reports received include 'payroll abuses' (115 in 2015 and 29 in 2016), 'technology and safety abuses (49 in 2015 and 22 in 2016)', and 'labour disputes 29 in 2015 and 6 in 2016)'. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Not met: Channel is available in all appropriate languages</li> <li>• Not met: Opens own system to EX BP workers: The Company states that 'any interested person may contact the Service'. However, it is not clear if all business partners including contractors and Joint Ventures' workers can report concerns. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul>
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Grievance mechanism for community: The Company states in the CSR report that 'any interested person may contact the service', and the annual report also indicates that it is open to 'shareholders and other stakeholders'. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a> &amp; Annual report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Describes accessibility and local languages: Although the reporting channels are available on the website, it is not clear whether it is possible to establish communications in local languages.</li> <li>• Not met: Expects EX BP to have community grievance systems</li> <li>• Not met: EX BP communities use global system</li> </ul>
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Engages users to create or assess system</li> <li>• Not met: Description of how they do this</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Engages with users on system performance</li> <li>• Not met: Provides user engagement example on performance</li> <li>• Not met: EX BPs in creation or assessment</li> </ul>
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Response timescales: The CSR report indicates that 'after a report is registered by an operator, the standard time until the investigation results are reviewed by the Head of Service is 21 days. The exceptions are reports that require immediate action or additional investigation. However, no further details found in relation to timescales for informing the complainant. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Not met: How complainants will be informed</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Escalation to senior/independent level</li> </ul>
C.5	Commitment to non-retaliation over complaints or concerns made	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public statement prohibiting retaliation: The Code states that 'MMC Norilsk Nickel is hopeful that any interested person, even not a worker of the Company, will report the violation of norms and regulations of the code'. Statements indicating that channels are open to 'any interested person' or 'shareholders and other stakeholders' are provided in the CSR report and the Annual report respectively. The Code states that 'the Company guarantees the absence of negative consequences for anyone who reports violations of the Code (for instance, persecution or discrimination)'. [Business ethics code, 2012: <a href="http://nornickel.com">nornickel.com</a> &amp; CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Not met: Practical measures to prevent retaliation: The Code states that 'if a worker who reports violations of the Code wants to be anonymous for some reason, he must provide sufficient information for the due inquiry into his report'. However, it is not clear if this measure is extensive to other stakeholders reporting violations of the code. [Business ethics code, 2012: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Has not retaliated in practice</li> <li>• Not met: Expects EX BRs to prohibit retaliation</li> </ul>
C.6	Company involvement with State-based judicial and non-judicial	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Won't impede state based mechanisms</li> <li>• Not met: Complainants not asked to waive rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Will work with state based or non judicial mechanisms</li> <li>• Not met: Example of issue resolved (if applicable)</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
	grievance mechanisms		
C.7	Remediating adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Describes how remedy has been provided</li> <li>• Not met: Says how it would remedy key sector risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Changes introduced to stop repetition</li> <li>• Not met: Approach to learning from incident to prevent future impacts</li> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>

### D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.1	Living wage (in own extractive operations, which includes JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Living wage target timeframe: The CSR report states that ‘the key principles that underlie the Company’s remuneration system include: Progressive remuneration system in line with the job grading framework; single approach to salaries and wages; incentivising employees to achieve their goals and objectives by improving individual, business unit and Group performance; competitive salary; promotion of the Company’s image as a responsible and reliable employer’.</li> </ul> However, it is not clear whether it pays all workers (company-wide) a living wage or has a target timeframe to do so. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a> ] <ul style="list-style-type: none"> <li>• Not met: Describes how living wage determined: The CSR report indicates that in Russia, some companies of the Group ‘made new collective bargaining agreements or extended the expired ones. Some of the agreements were amended by collective bargaining commissions in the reporting year. These amendments were mostly necessitated by adjustments in wage rates arising from legislative changes, organisational structure transformation and introduction of a new automated HR system’.</li> </ul> However, it is not clear whether wages determined are living wages and whether collective bargaining agreement negotiations are carried out company-wide (evidence found refers to Russia). [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a> ] Score 2 <ul style="list-style-type: none"> <li>• Not met: Pays living wages</li> <li>• Not met: Reviews livings wages definition with unions</li> </ul>
D.3.2	Transparency and accountability (in own extractive operations, which includes JVs)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Member of EITI</li> <li>• Not met: Reports of taxes beyond legal minimums</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Reports taxes and revenue by country</li> <li>• Not met: Steps taken re non EITI countries</li> <li>• Not met: Disclosures contract terms where not a requirement</li> </ul>
D.3.3	Freedom of association and collective bargaining (in own extractive operations, which includes JVs)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Commits not to interfere with union rights and collective bargaining and prohibits intimidation and retaliation: The Company has collective bargaining agreements covering more than 60% of the Group workforce. However, no evidence found in relation to commitments to not interfere with the rights of workers to form or joint trade unions covering all the Group. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a> &amp; Business ethics code, 2012: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> <ul style="list-style-type: none"> <li>• Met: Discloses % covered by collective bargaining: The Company states that collective bargaining agreements cover 78% of the Company's employees. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> </ul>
D.3.4	Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Injury Rate disclosures: The Company provides figures for the last five reporting years. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Met: Lost days or near miss disclosures: The Company provides figures for the last five reporting years. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> <li>• Met: Fatalities disclosures: The Company provides figures for the last five reporting years. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Set targets for H&amp;S performance</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not met: Met targets or explains why not</li> </ul>
D.3.5	Indigenous peoples rights and free prior and informed consent (FPIC) (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Process to identify indigenous rights holders</li> <li>• Not met: How engages with communities in assessment: Although the Company reports supporting indigenous peoples in the North (Russia), no evidence found in relation to consultation and engagement in relation to assessments of operations impacts. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Commits to FPIC (or ICMM)</li> <li>• Not met: Gives recent example FPIC or dropping deal</li> </ul>
D.3.6	Land rights (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Approach to identification of land tenure rights holders</li> <li>• Not met: Describes approach to doing so if no recent deals</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: How valuation and compensation works</li> <li>• Not met: Steps to meet IFC PS 5 in state deals</li> <li>• Not met: Describes approach if no recent deals</li> </ul>
D.3.7	Security (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: How implements security (inc VPs or ICOC)</li> <li>• Not met: Example of respecting HRs in security</li> <li>• Not met: Ensures Business Partners follow security approach</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Assesses and involves communities</li> <li>• Not met: Working with local community</li> </ul>
D.3.8	Water and sanitation (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Action to prevent water and sanitation risks</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Water targets considering local factors</li> <li>• Not met: Reports progress in meeting targets and shows trends in progress made: Although the Company reports water consumption and measures taken in relation to monitoring wastewater, no evidence found of progress measured against targets made (which should take into consideration local communities' needs). [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul>

## E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity thresholds were found, and so the score of 11.71 out of 80 points scored in themes A-D & F has been applied to produce a score of 2.93 out of 20 points for theme E.

## F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	1.37 out of 4	Out of a total of 38 indicators assessed under sections A-D of the benchmark, Norilsk Nickel made data public that met one or more elements of the methodology in 13 cases, leading to a disclosure score of 1.37 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Company reports on GRI: The CSR report includes a GRI index. [CSR report, 2016: <a href="http://nornickel.com">nornickel.com</a>]</li> </ul>
F.3	Key, High Quality Disclosures	0 out of 4	<p>Norilsk Nickel met 0 of the 10 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator.</p> <p>Specificity and use of concrete examples</p> <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.2 : Board discussions</li> <li>• Not met: Score 2 for B.1.6 : Monitoring and corrective actions</li> <li>• Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers</li> <li>• Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s)</li> </ul> <p>Discussing challenges openly</p>



Indicator Code	Indicator name	Score	Explanation
			<ul style="list-style-type: none"> <li>• Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts</li> <li>• Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned</li> </ul> Demonstrating a forward focus <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.3 : Incentives and performance management</li> <li>• Not met: Score 2 for B.1.2 : Incentives and performance management</li> <li>• Not met: Score 1 for D.3.1 : Living wage (in own extractive operations, which includes JVs)</li> <li>• Not met: Score 2 for D.3.4 : Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)</li> </ul>

## Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2018 Key Findings report for more details of the research process.

The Benchmark is made available on the express understanding that it will be used solely for general information purposes. The material contained in the Benchmark should not be construed as relating to accounting, legal, regulatory, tax, research or investment advice and it is not intended to take into account any specific or general investment objectives. The material contained in the Benchmark does not constitute a recommendation to take any action or to buy or sell or otherwise deal with anything or anyone identified or contemplated in the Benchmark. Before acting on anything contained in this material, you should consider whether it is suitable to your particular circumstances and, if necessary, seek professional advice. The material in the Benchmark has been put together solely according to the CHRB methodology and not any other assessment models in operation within any of the project partners or EIRIS Foundation as provider of the analyst team.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.