

APPROVED
by the Annual General Meeting of Shareholders of
OJSC MMC Norilsk Nickel

Protocol, dated June [], 2008

REGULATIONS
ON THE BOARD OF DIRECTORS
OF OJSC MMC NORILSK NICKEL

2008

1. GENERAL PROVISIONS

- 1.1. These Regulations shall define the operating procedures of the Board of Directors of OJSC MMC Norilsk Nickel (hereinafter the "**Board of Directors**").
- 1.2. Activities of the Board of Directors shall be governed by legislation of the Russian Federation, the Charter of OJSC MMC Norilsk Nickel (hereinafter the "**Company**") and these Regulations and resolutions of the General Shareholders' Meetings of the Company (hereinafter the "**Meeting**").
- 1.3. The scope of authority of the Board of Directors shall be established by legislation of the Russian Federation and the Company's Charter.
- 1.4. Chairman of the Board of Directors shall:
 - organize work of the Board of Directors, call and chair its meetings and arrange for absentee voting;
 - arrange for minutes to be taken at meetings of the Board of Directors;
 - chair the Meeting.

When the Chairman of the Board of Directors is unavailable, his/her responsibilities shall be assumed by the Vice Chairman of the Board of Directors or by a member of the Board of Directors appointed by the Board of Directors.

- 1.5. Members of the Board of Directors shall be obliged to:
 - perform their duties in good faith;
 - remain loyal to the Company;
 - comply with the requirements of Section 4 of these Regulations ("*Procedure for Using Confidential Information by Members of the Board of Directors*") and not disclose in any mode any insider and/or confidential information which became known to them;
 - participate in the meetings of the Board of Directors and the corresponding committees and participate actively in the preparation and discussion of matters brought to the attention of meetings of the Board of Directors and its committees;
 - conscientiously evaluate the risks related to the effect of the adopted resolutions;
 - at the request of the Corporate Secretary, provide to the Company information on him/herself and his/her affiliates as well as other information, data and

documents allowing to establish whether a member of the Board of Directors is a shareholder's and/or the Company's affiliate and/or a counterparty in accordance with applicable law of the Russian Federation, and confirm the status of an Independent Director in accordance with the Company's Charter;

- disclose in writing information on the direct, indirect or beneficial ownership of Company's securities and notify the Board of Directors in writing (through the Corporate Secretary) of their intention to conclude transactions with the Company's securities, including sale and/or purchase of Company's securities prior to the conclusion of such transactions.

Members of the Board of Directors may not found organizations or participate in organizations competing with the Company without approval of the Board of Directors.

Members of the Board of Directors may not use the capabilities of the Company for any purposes other than those provided for by the Company Charter and these Regulations. Under the expression "capabilities of the Company" shall be understood as property of the Company, proprietary and personal non-proprietary rights belonging to the Company, insider information on plans and intentions of the Company. Members of the Board of Directors shall not use their position and information obtained thereby on the Company activities in their personal or any third parties' interests, nor shall they allow other persons to use it.

A member of the Board of Directors should refrain from actions that may result or may potentially result in a conflict between their own and their affiliates' interests (on one side) and the interests of the Company and its affiliates (on the other side), and if any such conflict of interests may arise, then such member of the Board of Directors shall disclose it to the Board of Directors in writing (through the Corporate Secretary).

Members of the Board of Directors may not receive gifts in any form from any parties directly or indirectly interested in resolutions/decisions of the Board of Directors, nor receive any other direct or indirect benefits from such parties.

1.6. Members of the Board of Directors have the right to:

- receive remuneration and compensation in an amount established by the Meeting;
- Subject to the provisions of Section 4 hereof ("*Procedure for Using Confidential Information by Members of the Board of Directors*"), obtain any information related to Company operations in any divisions and structural units of the Company, save for: (a) information representing state secrets; (b) information which may not be shared or disclosed by virtue of Russian law provisions; (c) information representing the commercial secrets of the Company where access to such secrets may be provided in accordance with special procedures adopted by the Company; (d) information which may not be provided or disclosed by virtue of a confidentiality agreement to which the Company is a party; and (e) information and documents relating to the activities of the Independent

Directors' Committee which may only be provided upon a majority resolution of members of the Independent Directors' Committee (the above-mentioned exceptions shall be jointly referred to as the "Special Regime Information";

- deliver to the Board of Directors (through the Corporate Secretary) a request for obtaining an independent consultant's opinion on issues connected with exercising his/her authority as a member of the Board of Directors.

A member of the Board of Directors seeking an independent consultant's opinion on any agenda item shall deliver a written request to that effect to the Corporate Secretary.

The Corporate Secretary shall arrange for entering into an agreement with an independent consultant in accordance with the contracting procedure established by the Company.

- 1.7. The Company Secretariat headed by the Corporate Secretary (hereinafter the "**Corporate Secretary**") shall ensure that the Board of Directors is able to exercise its powers.

The Corporate Secretary shall be appointed by the Board of Directors. The Corporate Secretary shall be the head of the Company Secretariat.

Duties and responsibilities of the Corporate Secretary and the Company Secretariat shall be determined by the Regulations on the Company Secretariat approved by the Board of Directors.

- 1.8. The Board of Directors shall establish the following committees of the Board of Directors from among its members for preliminary review of the most important issues and preparation of recommendations for the Board of Directors regarding these issues:

- Audit Committee – to provide assistance to the Board of Directors in its oversight of the Company's financial and economic performance including the review of financial statements, relations with external auditors, monitoring of the Internal Audit function, monitoring of key risks and evaluation of the quality and integrity of internal control procedures;
- Remuneration Committee – to provide assistance to the Board of Directors in reviewing the proposed remuneration packages to senior executives, in the development of provisions of the Company's employee incentive plans and in resolving all other matters relating to compensation and benefits for employees and members of the Board of Directors;
- Independent Directors' Committee – to assess the potential impact of significant corporate actions on the Company's interests and on the rights of its minority shareholders and creditors, to prepare recommendations to the Board of Directors in relation to these transactions and public announcements upon the committee's recommendation, and generally to promote the best practice with regard to corporate governance within the Company. This committee shall be primarily composed of Independent Directors (if more than one Independent Director was

elected).

- Sustainable Development Committee – to oversee the Company's performance in relation to environmental, health and safety matters; and
- Strategy and Investment Committee.

The Board of Directors may establish other committees of the Board of Directors from among its members.

Committees of the Board of Directors shall be headed by members of the Board of Directors who may not be members of the Company's executive bodies, and shall include Independent Directors. A member of the Board of Directors shall not head more than two committees. The Independent Directors' Committee shall be headed by an Independent Director.

Subject to anything contained in the Charter, the Board of Directors shall approve Regulations governing the activity of the Board of Directors' committees and specifying the number of members in the corresponding committee, the minimum number of Independent Directors to be members of the corresponding committee and other provisions relating to the activity of such committees.

The Company shall provide all necessary resources to the committees for the latter to be able to achieve their tasks, including hiring (at the Company's expense) independent advisers to the committees.

Recommendations and draft resolutions of the Board of Directors as proposed by committees of the Board of Directors shall be included by the Chairman of the Board of Directors into materials related to the agenda of the Company's Board of Directors' meeting without any changes.

2. COMPOSITION AND STRUCTURE OF THE BOARD OF DIRECTORS

- 2.1. The General Director of the Company cannot not serve as (perform the duties of) the Chairman of the Board of Directors.
- 2.2. The number of members of the Company's Board of Directors shall be determined by the Company Charter. The Independent Directors' Committee shall prepare recommendations with respect to nominees to the position of members of the Board of Directors to be passed to the shareholders.
- 2.3. Save as defined for the purposes of interested-party transactions pursuant to Article 83 of the Federal Law "On Joint Stock Companies", a member of the Board of Directors shall be qualified as an "independent director" if he/she complies with the requirements established by the Charter.

An Independent Director should refrain from actions that may compromise his/her independent status. If after the election of an Independent Director to the Board of

Directors such director ceases to be an Independent Director due to any changes or new circumstances, such member of the Board of Directors should promptly notify the Board of Directors (through the Corporate Secretary) thereof and give a detailed account of all such changes and new circumstances.

- 2.4. In accordance with the relevant resolution of the Meeting, during the term of their service on the Board of Directors, members of the Board of Directors may receive remuneration and be compensated for expenses incurred in connection with the performance of their duties as members of the Board of Directors. Amounts of such remuneration and compensation shall be determined by resolution of the Meeting on the basis of recommendations made by the Board of Directors.
- 2.5. The Board of Directors shall carry out annual evaluation of the performance of its members and their contribution to the achievement of the Company goals.

3. MEETINGS OF THE COMPANY BOARD OF DIRECTORS

- 3.1. Meetings of the Board of Directors (hereinafter the "**meetings**") shall be held as often as necessary, but no less than once every six weeks.
 - 3.1.1. Resolutions of the Board of Directors may be passed by absentee voting, save where otherwise provided in the Charter or these Regulations.
 - 3.1.2. Decisions on the following issues shall be passed by the Board of Directors at an in-person meeting only:
 - 3.1.2.1. identification of priorities for Company activity, concepts and strategies for Company development, including ways to implement them; approval of corporate plans and budgets and any changes to these plans and budgets;
 - 3.1.2.2. calling an extraordinary Meeting or rejecting the proposal to call such a meeting, and other issues related to the competence of the Board of Directors under the Federal Law and connected with the preparation for and holding of the extraordinary Meeting;
 - 3.1.2.3. formation of the Company's executive bodies and termination of their authority:
 - election and dismissal of the General Director of the Company, determination of his/her remuneration and compensation package; approval, modification and termination of employment agreement with the General Director;
 - election and termination of the authority of members of the collective executive body – the Company's Management Board

(upon presentation by the General Director); determination of their remuneration and compensation packages; approval, modification and termination of their employment agreements;

- 3.1.2.4. preliminary approval of the Company's annual report;
 - 3.1.2.5. election and dismissal of the Chairman of the Board of Directors;
 - 3.1.2.6. making proposals to the Meeting on the reorganization or liquidation of the Company;
 - 3.1.2.7. increase of the Company's charter capital through the placement of additional shares by the Company in accordance with the number and categories (types) of the announced shares;
- 3.2. A meeting shall be called by the Chairman of the Board of Directors at his/her own initiative, or at the written and well-grounded request of any member of the Board of Directors, Audit Commission or Auditor of the Company, its Management Board, General Director or shareholders holding in the aggregate of at least ten (10) percent of ordinary shares of the Company (or their representatives);
- 3.3. A request to call a meeting must contain the following information:
- name of a person requesting the meeting;
 - proposed agenda for the meeting specifying the reasons to have such an agenda;
 - form of the meeting;
 - signature of the person requesting to call the meeting.
- 3.4. The written request must be sent to the Chairman of the Board of Directors at the Company's address by any means providing proof of its dispatch (including by letter, telegram, teletype, via facsimile, *etc.*).
- 3.5. The date of the request of the meeting shall be established according to the date of the registration of such request by the Company's Secretariat.
- 3.6. The Chairman of the Board of Directors may resolve to refuse convocation of the meeting only under the following circumstances:
- the issue (issues) proposed for the meeting's agenda is (are) not within the competence of the Board of Directors;
 - a party requesting the meeting is not authorized to do so;

- requirements set forth by Section 3.3 hereof have not been met.
- 3.7. The Chairman of the Board of Directors shall decide on the form of the meeting of the Board of Directors either by personal attendance or by voting in absentia.
- 3.8. Notification of the meeting shall be delivered to each member of the Board of Directors, General Director and a person having requested convocation of the Board of Directors' meeting, by any means providing proof of its dispatch, or it may be hand-delivered at least two (2) calendar days prior to the scheduled date of the meeting.

The notification shall contain the following information:

- date, place and time of the meeting (if it is resolved that items on the agenda are to be voted in absentia, the notification shall specify the deadline for receiving voting ballots, and the address to which the completed voting ballots must be sent);
- agenda of the meeting;
- form of the meeting.

The notification shall be accompanied by all necessary materials (information) relevant to the agenda of the meeting (subject to the provisions of Section 4 below).

The agenda shall contain a full list of specific issues brought for discussion to the Board of Directors. It is inadmissible to include into the agenda wording that does not define the subject of the issue brought for discussion to the Board of Directors.

Subject to the provisions of Section 4 below, before resolving issues that were preliminarily reviewed by committees of the Board of Directors, conclusions of the respective committees should be, prior to the meeting, made available to the members of the Board of Directors, General Director and a person having requested convocation of the Board of Directors' Meeting. If any issues are considered to concern interested-party transactions, obtaining of a conclusion or recommendation from the Independent Directors' Committee is mandatory. The necessary board papers and other materials shall be submitted to the corresponding committee in sufficient time to enable such committee to make its recommendations.

In the event a decision to hold a meeting in absentia is made, each member of the Board of Directors shall also receive a voting ballot (ballots).

- 3.9. At the decision of the Board of Directors, guests may be invited to attend a meeting of the Board of Directors. The General Director of the Company shall be present at all meetings of the Board of Directors (save for cases when the General Director of the Company due to an office matter, temporary disability or another valid reason may not be present at such meeting, in which case the General Director, if circumstances so allow, should notify the Board of Directors through the Corporate Secretary). The General Director of the Company shall participate in discussions on all issues brought to the Board of Directors.

- 3.10. Agenda of the meeting of the Company's Board of Directors while the meeting is in progress may only be amended if all members of the Board of Directors have been notified of such amendments to the agenda in writing at least one day prior to the meeting or the absentee voting, or by a unanimous consent of all elected members of the Board of Directors while the meeting or absentee voting is in progress.

If a member of the Board of Directors is unable to attend a meeting of the Board of Directors for whatever reason, such member may contribute to the decision-making on the agenda items by expressing his/her opinion in writing and delivering it to the Company Secretariat using any means providing proof of its dispatch, or by a special courier. Such written opinion shall be taken into account when quorum of the meeting and voting results are determined, if such opinion has been received before the commencement of the Board of Directors' meeting.

A written opinion on the agenda items expressed by a member of the Company's Board of Directors absent from the meeting shall be taken into account when voting results are determined on specific items of the agenda, if such written opinion received by the Company in accordance with this Section contains:

- a draft resolution on the corresponding item of the agenda proposed by such member of the Board of Directors;
- a free will of the member of the Board of Directors with respect to such draft resolution expressed by the words "FOR", "AGAINST" or "ABSTAINED".

All written opinions on the agenda items expressed by members of the Company Board of Directors absent from the meeting shall be fully disclosed by the chairperson at the meeting.

At the request of members of the Board of Directors, the Company officers shall provide them with additional information necessary for the adoption of decisions, save for Special Regime Information.

- 3.11. Resolutions of the Board of Directors shall be adopted by a majority vote of the Board of Directors members participating in the meeting, unless otherwise provided for by the laws of the Russian Federation or the Company Charter.

A member of the Board of Directors shall not participate in the vote in cases stipulated by legislation of the Russian Federation and the Company Charter.

Members of the Board of Directors may not transfer their voting rights to any other party, including any other member of the Board of Directors.

In the event that any resolution of the Board of Directors is adopted by absentee voting, a ballot filled out and signed by a member of the Board of Directors shall be delivered to the Company Secretariat (using any means of delivery providing proof of its dispatch, or personally).

A member of the Board of Directors disagreeing with an adopted resolution on issues

under discussion has the right to express his/her personal opinion in oral or written form.

3.12. Protocols of the Board of Directors' meetings shall contain the following information:

- time and place of the meeting;
- names of persons in attendance;
- agenda of the meeting;
- issues put to a vote and voting results specifying members of the Board of Directors who voted "FOR", "AGAINST" or abstained from voting;
- adopted resolutions.

3.13. Protocol of the Board of Directors' meeting shall be prepared within three (3) days after the meeting and shall be signed by the person chairing the meeting and bearing responsibility for the accuracy of the protocol, and by the Secretary of the Board of Directors. In case of absentee voting, a protocol on the results of voting by members of the Board of Directors shall be drawn up, and the voting ballots, as well as any opinions expressed in writing and duly signed by members of the Board of Directors, shall be attached to the protocol.

4. PROCEDURE FOR USING CONFIDENTIAL INFORMATION BY MEMBERS OF THE BOARD OF DIRECTORS

4.1. At the convocation of a meeting of the Company Board of Directors, the Chairman of the Company Board of Directors shall, as advised by the General Director of the Company, define materials (information) related to the agenda of the meeting of the Board of Directors of the Company and bearing a confidential character.

4.2. In the course of preparation of any materials for distribution among members of the Board of Directors, hard copies of documents containing confidential information shall be stamped "Confidential" with the indication that the owner of such information is the Company (or a third party). Concerning data and documents of the corresponding committee of the Board of Directors containing confidential information, such stamp shall be applied by the chairman of the corresponding committee. Electronic and magnetic carriers of documents shall be stamped "Confidential" by way of placing the text of the "Confidential" stamp in the beginning of each file reproduced on an electronic or magnetic carrier.

4.3. After applying measures specified in Sections 4.1 and 4.2, materials (information) in accordance with Section 3.8 of these Regulations shall be delivered to members of the Board of Directors of the Company and the General Director.

4.4. If materials (information) attached to the notice of the meeting of the Board of

Directors are stamped "Confidential", the notice of the meeting shall contain an indication that the materials (information) attached thereto contain information representing a commercial secret and are confidential.

- 4.5. After receiving materials (information) stamped "Confidential", members of the Board of Directors of the Company shall not:
- disclose or use for personal or third party needs, or in the interests of affiliates of such member of the Board of Directors, materials (information) stamped "Confidential";
 - make copies or excerpts from materials stamped "Confidential" save where permitted by the Board of Directors or the terms of the confidentiality agreements referred to below;
 - take actions which may entail disclosure of materials (information) stamped "Confidential";
 - disclose materials (information) stamped "Confidential" to mass media;
 - publicly comment on the content of resolutions and results of meetings of the Company Board of Directors prior to the official publication of press releases of the meetings of the Company Board of Directors on the official website of the Company;
- provided that nothing in these Regulations shall in any way affect the ability of Independent Directors to make disclosures in satisfaction of their duties or powers as contained in these Regulations.
- 4.6. Immediately after the completion of the Board of Directors meeting, members of the Board of Directors shall return to the Corporate Secretary all materials stamped "Confidential" and reproduced on hard copies or magnetic carriers.
- 4.7. Members of the Board of Directors shall observe confidentiality regime with respect to the received information (materials) containing confidential information both within the period of their duty as members of the Board of Directors and after termination of their duty as members of the Board of Directors of the Company.
- 4.8. For the observance of the procedure for using confidential information, each member of the Board of Directors shall conclude a confidentiality agreement with the Company in a form to be approved by the Board of Directors for all members of the Board of Directors.
- 4.9. If members of the Company Board of Directors fail to observe this procedure for using confidential information and the terms and conditions of the confidentiality agreement concluded therewith, members of the Board of Directors may be held liable in accordance with applicable legislation.

- 4.10. Provisions of this Section 4 shall apply to all persons having received access to the confidential information in the course of preparation for, and holding of, a meeting of the Board of Directors or any committee of the Board of Directors.

5. FINAL PROVISIONS

- 5.1. As of the moment of approving these Regulations by the Meeting, the Regulations on the Board of Directors approved by the General Meeting of Shareholders of OJSC MMC Norilsk Nickel (Protocol dated June 28, 2007) shall become ineffective.