

'I Love My Work and My Salary So Much That I am not Ready to Take the Risk'

Vladimir Potanin told us about the benefits of **Nornickel's** shareholder agreement, about the strategy, about the company's new clusters, and about why any businessman could be a real nuisance.

Vladimir Potanin took charge of Nornickel four years ago, when he and Oleg Deripaska signed a settlement agreement facilitated by Roman Abramovich. The shareholder agreement has since been operational and has even been amended in relation to the dividend policy, **Potanin** said proudly. For his part, he is not going to cease to be the managing partner. All the more so because the company is facing new challenges: the businessman's goal is to transform Nornickel from a polluter into a showcase for environmental friendliness, which will cost the company \$13–14 billion. This does not exclude the ambition to make Nornickel even more efficient. In an interview to *Vedomosti* (V), **Potanin** (P) spoke about the company's objectives and about what was discussed by Night Hockey League players in the locker room.

Four years later

V: Four years ago, already under your management, Nornickel adopted a new strategy. What are the interim results? Did you achieve what you wanted?

P: I think that the strategy is successful, which is actually confirmed by the company's performance in recent years. First of all, we have made great progress in corporate governance due to the establishment of normal relations among the shareholders. The company became more efficient, more attractive to investors. We were able to achieve the planned profitability, which was important to some investors at the start. To different extents, but important. And we simultaneously had to work on an ambitious and costly capex program, which made us reconsider everything that had been done by the company over the past 30 years. And we now have a clear understanding of today's Nornickel, of its problems, and of where to go. The main problem is environmental. It must be resolved; it is a burning issue for the company and for the regions where we have operations. Nornickel must be transformed from a polluter into a showcase for environmental friendliness. To do so, we need the comprehensive modernization of our production. The closure of the Nickel Plant was an important step toward this goal: we substantially reduced emissions in Norilsk. To shut down the Nickel Plant, we carried out the comprehensive modernization of the Nadezhda Metallurgical Plant, which enabled the company to process additional feed. Next solution for environmental issues is to capture sulfur, the main component of our air emissions. This will require a change in production processes at the Copper Plant and the transfer of some production processes to the Nadezhda Metallurgical Plant. At Kola MMC, we shut down the agglomeration plant, which also considerably reduced SO₂ emissions. But to do so, we had to modify and put into operation the hot briquetting line.

V: What are your future plans?

P: We are determined to go further and explore the possibility of closing down smelting in Nickel settlement in the Kola Peninsula after 2019 replicating the model of Nickel Plant shutdown in Norilsk. This should be accompanied by a sizeable social program, which involves not only money. We will have to cooperate with the local authorities in evaluating consequences, offering alternative jobs, and developing a program of social adaptation. In other words, work on modernization will have to be synchronized with work on environmental issues; otherwise, it would be unreasonably costly. The comprehensive program will end with the so-called "sulfur project," allowing us to reduce sulfur emissions several times not only in Norilsk but also at other production sites in the Taimyr Peninsula. But we have to capture 1.5 million tonnes of SO₂ per annum. And we are immediately facing the question: what to do with them?

There is not much choice: we could produce either elementary sulfur or sulfuric acid will be made. We agreed to prepare technical documents for the production of elementary sulfur. Nearly 1 million tonnes of sulfur—no one has ever produced so much. The new facility will be larger than the Nadezhda Metallurgical Plant. It is a little disappointing that all these efforts may be in vain. Because the high-technology pure product will have to be simply buried in the ground. As a businessman, I cannot put up with it. To be in business means creating value from what you do and producing some good effect. That is why we are continuing with the project to produce sulfuric acid. It does not involve any technological or licensing risks. It is an absolutely comprehensible "off-the-shelf" project. Its main advantage is that about 90% of the project budget will be spent in Russia. I find it psychologically pleasant, and it offers us new possibilities and new arguments for negotiating government support for the program. The President [of Russia] instructed the government to discuss such support with us, and a package of measures is under consideration.

V: What do you intend to do with this sulfuric acid here, in the Arctic?

P: We will use it in hydrometallurgy. The Talnakh Concentrator, especially when its third phase comes into operation, will generate waste that is to be stored in tailing ponds. But this waste can be used in hydrometallurgy to extract additional metal. This would undoubtedly promote the sustainable use of natural resources. The only problem is that it is a very capital-intensive production process. That is why we are now assessing the amount and, among other things, the effectiveness of our future investment. I think that in the third quarter of next year, we will have a complete understanding of the economics of the elementary sulfur project (we will receive all technical documentation) and the sulfuric acid project. Our decision will follow in the fourth quarter. After that, it will take us several years to carry out the program. I call it securing a foothold for an attack on environmental issues. We now understand what problems we may face. Environmental issues are often reduced to sulfur only, but they also include the quality of tailing ponds, slurry pipelines, and gas pipelines, as well as the outdated copper shop at Kola MMC, which will be upgraded.

Now you can see the challenging work that we have ahead of us. Of course, it will take us time, extensive investment, and huge social work, and we need government support very much because the burden carried by even such a company as Nornickel will be very big. This will cost an estimated \$13–14 billion by 2022. It is an enormous capex program that we will have to implement without failing to fulfill our obligations to ensure the target level of shareholder returns. I tell you, we could not even think of such plans in the past. But now we have experience of decision making both in the construction of a new facility and in the closure of an old one.

V: Reconfiguration of our production footprint was not without problems. It is rumored that you experienced difficulties in putting the second phase of the Talnakh Concentrator into operation, which resulted in revising down nickel output forecast from the company's own feed to a 12-year low of 195,000–200,000 tonnes. Are you not afraid that this will reduce your market share?

P: To begin with, the Talnakh Concentrator was put into operation as scheduled. According to the strategy, it had to be built in 2017, with one year allotted for reaching the designed capacity. The company had an ambitious plan to do it earlier. So, the overall project is progressing ahead of schedule, but we have missed some of our internal targets. The concentrator has already achieved 95 percent of the designed capacity. 100 percent will be reached in the first quarter. We understand our difficulties and how to overcome them. An additional 300,000 tonnes of ore will go into production in the first quarter. They have already been included in the budget.

V: In any case, the company will cut its output and lose some revenue in 2016, which will result in a lower dividend base.

P: Even in its current state, the new facility shows better performance than what we had with the same amount of ore before launching the project. Who is responsible for a shortfall in EBITDA in this period is a question to be addressed within the company, starting with the managing partner. It would, however, be inaccurate to speak of a shortfall. There will be a certain shortfall in the fourth quarter, but the increase of EBITDA initially scheduled for 2018 will be reached as early as 2017. As for the market share, only efficiently produced high-margin metal ensures a better market position. If you make a low-margin product, which is probably true of 40 percent of all nickel producers, with another 30 percent failing to be profitable at all, then high output becomes a problem rather than an advantage. If some portion of metal is produced inefficiently by an efficient company, it is diluting its overall performance. But I believe that we should ensure that all of our chains are as efficient as possible and consistent with our goals.

V: What other changes are planned by the company?

P: **Nornickel** will set up several clusters. Many companies work on the principle that their operations are historically predetermined: "different products, different countries." But we deal with a polymetallic ore and cannot have product divisions although we divide concentrate into copper- and nickel-processing flows. We chose a different path. For instance, the restructuring will result in creating the Talnakh hub with high ore output after putting the third phase of the Talnakh Concentrator into operation. This will be the largest concentrator in the world. In addition, we have the Nadezhda Metallurgical Plant, which has already become the biggest, youngest, and most advanced smelter. This creates a modern industrial complex that will include refining at Kola MMC. The Talnakh and Kola facilities will make up the self-sufficient core of **Nornickel**, providing the basis for development and growth beyond 2025.

Another example is Bystrinsky GOK. It is a greenfield project set apart into a separate cluster due to its geographical isolation and product line. We internally call it the door into the Chinese market, which is located nearby and is home to our current Chinese partners. This project has its own prospects for growth. First, there is room for additional exploration and production there. Second, there is an idea of combining it with the Baimka deposit owned by our partners [Roman Abramovich and Alexander Abramov].

Subsequently, we could IPO it in the Asian markets. This is a large project that is different from **Nornickel's** core business, which is why it is important to keep it independent in the managerial context too.

We also have the Southern cluster in Taimyr, comprising all that is not part of Talnakh. Its resources are 70 percent exhausted, but it has a concentrator, facilities, and available metallurgical capacity. There are plans to upgrade them so that they can process up to 7 million tonnes of ore and tailings by both open-pit and underground mining. This would change the economics of the process. Such a company would rank in the top five largest platinum group metal producers in the world. In its new, revived format, this project is a good gateway to the development of the Maslovskoye deposit and the Norilsk-1 deposit, which will be launched into production by our partners someday. We have entered into a dialog with our potential partners from Russian Platinum. Therefore, the Southern cluster can operate independently: there must be a way to bring in additional investors; it has the potential to become a partnership. Its technological, corporate, and financial management can be different from that of such a large public company as Nornickel.

The same is true of the Kola Peninsula, where our optimization measures will bring an up-to-date concentrator into operation and will provide us with ore concentrate suitable for different modes of smelting. It can be partially transported back to the Polar Division, as we will now try doing for the first batch of 150,000 tonnes. We are setting up logistics centers in Murmansk and Norilsk for concentrate transloading. Kola MMC's mined ore is insufficient to build large, efficient, and modern furnaces. Kola MMC will be a separate cluster, as a "window to Europe" somewhat oriented toward Harjavalta.

It would be useful for each division to be organizationally and managerially independent and capable of clearly calculating its own economic performance. Then we will be able to abandon cross-subsidization, which affects many companies, even the best in the world. We want to create a corporate mechanism that would allow us to notice it in time. This opens up opportunities for partnership relations other than equity financing for Nornickel. Nornickel is a large public company, and any instance of raising equity capital is far more than a matter of routine. But for the Bystrinsky GOK project, we raised \$100 million in equity from the Chinese partners without disturbing **Nornickel's** shareholding structure or compromising the shareholder agreement. We would like to create this kind of opportunity for ourselves. All the more so because there are numerous investors that continue to be interested but are not ready to write large checks out to Nornickel; instead, they are willing to privately invest in mining projects.

V: Will the clusters be spun off into separate businesses?

P: Not necessarily. Kola MMC is a separate company, the Bystrinsky GOK project is a whole bunch of companies, the Norilsk-based division is a branch, while the Southern cluster is not even a separate division. So, for the time being this is an organizational and methodological rather than legal matter.

V: Why does Nornickel not step up negotiations with the Baimka deposit owners, Roman Abramovich and Alexander Abramov, over combining their project with the Bystrinsky GOK project? After all, the longer the project develops independently, the more expensive it becomes.

P: It would be more beneficial and safer for **Nornickel** to gain reasonable rather than maximum benefit with the lowest possible risks, logistical and technological. The colleagues do immense work on assessing the quality of the ore body, analyzing the technological aspects of its development, and examining the construction of infrastructure. Finally, it is necessary to form an opinion about marketing: who will receive products and where. None of these issues is irresolvable. But the solution needs a tremendous amount of involvement. **Nornickel** participates in the working group to have all up-to-the-minute information. Returning to your question, it is more beneficial for **Nornickel** to pay a fair price for a good asset having a high level of availability and low risks than to pay a lower price in the hope of benefiting from an upside and later run into some poorly resolvable difficulties. The colleagues understand it.

This is also a giant project. It is expected that ore output will total 60 million tonnes, with 30 million tonnes in the initial stage. We are very proud of recently putting into operation the second phase of the Talnakh Concentrator with a capacity of 10 million tonnes. It is designed that as many as three of its likes will be built at the Baimka! In the middle of nowhere.

No further expansion

V: A notable turning point in the current strategy of **Nornickel** is that the company discontinued its expansion abroad. Does this restrict the company's development? After all, there are such efficient companies as BHP Billiton and others.

P: Efficient, right. How many CEOs have been replaced over five years? [Smiling.] I love my work and my salary too much to take the risk. People who do so are either brave or stupid. I try to stay between the

two categories. Seriously though, I told you about our prospects. The Talnakh hub can mine 20 million tonnes of ore, with another 6 million tonnes in the Southern cluster and 7.5 million tonnes more in the Kola Peninsula. We have the Bystrinsky GOK project and, potentially, Baimka, to be followed by the Maslovskoye deposit and, hopefully, Norilsk-1. Overall, it is tens of millions of tonnes of ore, giant facilities, massive investments. These are already very ambitious plans for a company with \$25 billion market cap.

V: Do you mean that you have enough work within Russia?

P: It seems that it is exactly the case for the next 10–12 years. We have a lot of work to do, and I hope that the government will help us. All the more so because we have already cooperated successfully. The government built a railroad to the Bystrinsky GOK for us. Later, when it turned out that the railroad was not profitable due the suspension of the neighboring projects, it was provided to us for a free use. The export duties on nickel and copper were abolished earlier than scheduled under the WTO's rules in exchange for dealing with environmental issues. And then, when an increase in mineral extraction tax was on the agenda, the Ministry of Finance adopted a firm stance against raising the tax in excess of the abolished duties. It is pleasant. At present, the government discusses various support measures, from accelerated depreciation to the regional preferential terms of the construction of new production facilities.

V: Is it probable that you also discuss these support measures in the Night Hockey League locker room?

P: People play hockey in a hockey game.

V: Is that all?

P: After a period of play, they apply ice to injured areas, discuss the game, give their opinions about who played well and who did not. This is what is discussed in a hockey game. They also say that we have a glorious tradition of ice hockey, which should be maintained and revived. For this purpose, it is necessary to help children's schools and hockey centers. They also say that we should not forget old players. Our hockey is remarkable for its celebrities. For example, the Night Hockey League, whose trustees include me, pays veteran grants. This is what we talk about. It would be ill-mannered in my team to discuss the issues that you hinted at.

Relations in the triangle

V: The shareholder agreement of Nornickel was signed four years ago. In a year, the first five years of your status as the managing partner will expire. Will you renew it for another five years?

P: First, the term of the agreement is 10 years. We prefer to use such time horizons. In general, the agreement has turned out to be good. It is operational, allowing us to resolve all problems. Most importantly, it is flexible. I find it to be the main sign of viability. We amended both the charter and the dividend policy. Moreover, we were able to make a very good, universally transparent system. Any investors can always calculate their dividends. All that they have to do is to insert forecasted metal prices into the calculation formula. Many changes were made to corporate governance, the work of the board of directors and its committees. The committees are really operational. Unlike other major public companies, we were able to involve independent directors in **Nornickel's** activities in an actual rather than nominal manner. And I do not see that any shareholders are interested in changing the existing balance of interests.

V: What was the most difficult in this period?

P: To sign the agreement.

V: And then?

P: First, to restore confidence. It took about a year, I guess. Speaking of the specific problems, it was very hard to change the dividend policy last spring. Some shareholders were fundamentally against setting any precedent for amendments to the agreement. I had to persuade the partners for a long time that the agreement needed to be upgraded and updated. Fortunately, I was successful. The shareholders differ from one another in their need for dividends. We all love them, but they differ in how greatly they need to receive a stable and predictable cash flow. For my part, it was important to build up a flexible system. Oleg Deripaska and I finally reached a compromise. What I like in business and do not like in politics is that a win-win situation is not uncommon in business. With reasonable ambitions of the participants, any sound project will always lead to a win-win situation. This is rare in other spheres of life.

V: From outside, it seems that you have a closer relationship with Abramovich and Abramov than Deripaska. Why did it happen?

P: Roman Abramovich and Alexander Abramov are less confrontational; they are inclined to maintain a trust-based and productive relationship. They can act as passive investors with less discomfort if it is reasonable. Oleg Deripaska has a more dominant manner of doing business. He likes to control all processes

and be deeply involved in everything. That is why it is more difficult for me to deal with him. And to be partners in the public company, it is easier than in any particular project. It is easier for us to be partners in a public company than a private project. Psychologically, I find it easier to partner up with other kinds of people. After all, personal qualities are of significance in business, and comfort is an important element of any process.

V: Viktor Vekselberg's and Leonard Blavatnik's Sual Partners is expected to buy a 12 percent stake in UC Rusal from Mikhail Prokhorov's Onexim in the near future. Onexim can use the remaining shares to exercise its right to nominate a director to the board of **Nornickel**. Can this have any effect on the shareholder agreement?

P: No effect, except that the personal qualities of the director are important. We would like the director to be scrupulous and professional. In anticipation of further questions, I want to tell you that Deripaska is our partner in the Deripaska-Prokhorov-Vekselberg triangle and we will support him in every way.

V: Investors like Nornickel very much. Have you considered the SPO?

P: First, shares need to be issued for a certain purpose. Equity financing is always quite expensive. If you remember, when we explained to the market why an increase in our debt was accompanied by continued high dividend payouts, we said that we also cared about our cost of capital. In the continuing era of relatively cheap money, a reasonable amount of debt reduces cost of capital greatly; therefore, if you want to raise equity financing you need a really special task.

V: Like your \$13–14 billion capex program?

P: We had to make this choice in the spring because the alternative to a change in the dividend policy was to raise equity to finance both the capex program and dividends. But we chose to amend the dividend policy in order to prevent it from interfering with the other plans. In addition, it became possible to attract project financing. The Bystrinsky GOK project was partly funded by Sberbank; we are in a good shape in terms of negotiations with Chinese banks. They are not quick, but these instruments will begin to work within 1.5–2 years. With access to debt markets, project financing, high profitability and earnings from the core business, it would be illogical to raise financing through an equity public offering. The fact that our shares are attractive proves that the company works correctly. As is the case with a good show, a shortage of tickets is better than temporary additional chairs.

V: What projects are currently implemented by Interros?

P: We are a limited partner of Winter Capital, an advisory firm investing in Russia. This involves pharmaceuticals, real estate, retail, and industrial assets. To have a finger on the pulse, they also invest in technology companies that operate in Russia and a little in the United States. The firm continues to make large and diversified investments, but with my full-time responsibility for **Nornickel**, I am not engaged in these operations personally. However, the team sees the possibilities and continues to work. The other day, we firmest up a new fund. Apart from Interros, the fund has other limited partners, the largest of which is Grigory Berezkin's ESN. This is a new investment fund focused on projects related to natural resources in Russia. It will be managed by the same team led by Alexey Bashkirov who is in charge of Winter Capital. They had used only money from Interros before, and now there is an area where they plan to invest in partnership with others. For me, as the founder of Interros, it is important to return to partnerships. For a long time after the crisis and after parting company with the previous partner, we operated more separately from each other. Now we find more opportunities for investments in partnership.

Where the wind blows

V: After the elections, the staff reshuffling, the beginning of anti-corruption measures, do you have such a feeling that the era of stability came to an end and we are on the verge of change? There is even talk of a possible liberal renaissance.

P: I do not think that our country is interested in a liberal renaissance. Recent years have shown that people feel better with a strong government, a strong leader, and anything that can provide them with stability and confidence in tomorrow. It seems to me that people are not inclined to assume more responsibility for their own future. They want to be cared for. And the stronger and more powerful the government is, the more comfortable they feel. So, your question about a liberal renaissance is not very relevant. Although I like a certain degree of freedom, I find myself strong enough to resolve not only my own problems but also problems of people who are close to me and those who, as they say, are in the same boat. But on a nationwide scale, it seems that these values do not work. People expect something different. Speaking of a liberal renaissance in the economy, there is another problem. Complex schemes do not work. With many institutions, it is not clear who is responsible for what. We like it when we know

who we can rely on and who can be held responsible. It is, of course, pleasant to hear talk of the need to support business and private initiative. I have always said that private business is a key driver of the economy. You can rely on private business to achieve economic growth and improve living conditions. Therefore, the work initiated by the government after the presidential address is correct and morally and psychologically encouraging. Now, it is desirable to listen to business itself. You cannot be forced to be happy. That is why the success of these measures will depend on the quality of dialog between business and government.

V: Do you have any recipe for what needs to be changed?

P: Any businesspersons consider the coming changes from the perspective of their work. It is necessary to understand the difference between small and big business. In the case of small business, bureaucratic pressure plays a very important role producing enormous costs. The stability of the tax regime is key to the assessment of resources. Since we work under quite a tense financial model, a stable environment is an important element. Another prerequisite is dialog with the government and support for the projects that are not only commercial but also social. For example, such greenfield projects as Rosa Khutor undoubtedly need certain government support, the restructuring of Vnesheconombank loans, property tax exemptions, and some other relief measures that help recoup investments in these kinds of projects. The government is ready to help; therefore, there is no need to complain. I hope that, if necessary, such support will be provided in the future.

V: Along with other businesspersons, you have often said that now is the time to invest in Russia. But it seems that the process has not begun. What stops it?

P: All reputable foreign companies that would be preferable investors declare that they are interested. At any forum or public event, they all show an interest. Then they begin to explain their restrictions. Sanctions are imposed on some of them; others can be dissatisfied with how they are treated. This is not to say that they refuse to come. Apparently, it takes time. This caution is due to the headwind toward investment. Second, the economic and financial conditions, or the investment climate, in Russia need to be improved. Fortunately, this is not a surprise, but a governmentally recognized fact.

V: Now it is desirable to bring about an improvement.

P: Naturally, improvements will be made now. Naturally, the inflow will be higher if investors understand how to work here. I think that some problems are associated with communications. External factors are evident; there is no need to speak about them. Are there internal factors? Of course, yes. Abnormal bureaucracy at least. For example, we decided to transfer a road owned by **Nornickel** to one of our subsidiaries. As we were approaching the project implementation, it became clear that it was better to transfer the road to another entity of our group. It would seem that the issue could be settled by one signature. In fact, this means applying to several departments, obtaining new approvals, submitting reports to a deputy prime minister. I hope that they will not bother the president. Of course, it is somewhat discouraging.

V: And the increased activities of the security forces? We have businesspersons arrested every month. Domodedovo owner Dmitry Kamenshchik is under house arrest, while Renova co-owner Evgeny Olkhovik and T Plus CEO Boris Vaynzikher are in pretrial detention. For any developed country, it would be the event of the year. But we have it once a month.

P: If we look back on what occurred in the United States in the 1950s, while their market economy was gaining momentum, while the new rich were attempting to come to power or resist the government, there were also many events. Why am I for speeding up the process of simplifying the rules of business? Because this will help understand who does what is right and who does not. Laws should be simple to obey; they should contain no traps. Otherwise, laws become very complicated, and no one understands how to observe them. It should be very simple: you can go to the right, but not to the left. And it will be very detectible: who complies and who does not. After that, the law-enforcement authorities and everything else. But we have such an environment that somebody deliberately does not comply, someone is honestly mistaken, someone does not care and hopes that implications may be avoided. The system partly makes it possible to commit such violations and partly encourages them. With such bureaucracy, people are tempted either to settle a problem or to ignore the rules. But those who invent and guard these rules are also tempted accordingly. It is not a matter of personality. Any businessperson will tell you that inspections can be different. There are inspections that really establish what people have done. But there are very many inspections that turn into outright extortion. And we compete: a businessman against a bureaucrat. It is necessary to deprive the bureaucrat of a mechanism for extortion. The businessman should not be motivated to commit a violation and should see that punishment is evident and inevitable. Why should people not steal or rob in society? Because punishment is inevitable. But it should be understandable.

Robbery is understandable, but a violation in business is very unclear. Some rules are comprehensible: taxes, VAT, salaries. Further is a huge gray area of bureaucracy. Therefore, such incidents that make us sympathize with the affected people are inevitable until the system is simplified to the limit.

V: Judging from your words, anyone in business is always at risk.

P: Yes, at risk. But the answer should not shock you. Because anyone driving a car is at risk too, criminally at risk. When they begin to drive a car, they are potentially guilty. The same is true of businesspersons: while driving, you are already an increased hazard. Where there are good roads, clear traffic rules, and the culture of compliance, there are few accidents with deaths. The same thing in business: if we imagine that all businesspersons are drivers of vehicles, they need good roads, clear rules, and fair police, who punish violations and do not take bribes. That is all. By the way, a strong vertical power structure in the country makes it possible to take steps in this direction. Because it simplifies the interpretation of what is good and what is bad. A strong vertical power structure, a reputable leader, and the need for this kind of leadership in society will add to potential confidence in the rules. It is easier to explain why something is punished while something is not. If we have such a developed system, it can be used for a good cause. The stronger the vertical power structure is, and the more reputable the leader is, the easier the rules can be, the easier the public consensus is reached. And for this purpose, of course, we need fresh blood, we need a new staff. Sometimes it is not even because someone is bad or someone is good; we just need fresh blood, a new look. People linger in one role.

'My Goal Is to Give Impetus'

A considerable part of the collection of 250 works of contemporary Russian art by 60 painters and sculptors given to the Centre Pompidou was bought with the assistance of the Vladimir Potanin Foundation. The Foundation is a co-organizer of this event and the exhibition "Collection! Contemporary Art in the USSR and Russia, 1950–2000." "Art is the most neutral and the most powerful means of conveying information about the country and people. The Pompidou Centre is a symbolic space. The more of our art is known abroad, the friendlier relations we will have with foreign countries. This is the Russian Lounge project at the Kennedy Center, in Geneva, at the UN headquarters; this is the Pompidou project. Our artists should be known abroad," Potanin said. He said that "as he is not an expert," he did not intervene in the selection process, and "the experts chose what they believed to be typical of contemporary Russian art" and, judging by the critical reception in Paris and in the world, "the choice was successful." When asked about creating a museum of contemporary art in Russia, the businessman said that "it is better to organize exhibitions of contemporary art at an existing museum," mentioning such well-known museum as the Hermitage and the Tretyakov Gallery, whose exhibitions include contemporary art. "Creating a new museum is a separate subject [...]. If it was so easy, everyone would build museums," the businessman said. "I thought that the existing sacred places are where interest should start from. Perhaps such interest will result in someone wanting to establish a separate museum and a permanent exhibition. My goal is to give impetus."

Nornickel

Mining and Metallurgical Company

Major shareholders: Interros (30.3 percent), UC Rusal (27.8 percent), Crispian Investments Limited (6.5 percent).

Market capitalization: \$26.6 billion.

Financial highlights (IFRS, 1H2016):

revenue: \$3.6 billion,

net profit: \$1.3 billion.

Vladimir Potanin

President and Chairman of the Management Board, Nornickel

Born in 1961 in Moscow. In 1983, he graduated from the Faculty of Economics of the Moscow State Institute of International Relations, majoring in International Economics

1991: Founder and President of Interros (a financial industrial group from 1994)

1993: President of ONEXIM BANK

1996: Deputy Prime Minister of the Russian Federation

1998: President and Chairman of the Board of Directors of Interros Holding Company

1999: Founder of the Vladimir Potanin Foundation

2012: CEO and, then, President of Nornickel

In December 2016, he was elected as Chairman of the Board of Trustees of the Night Hockey League Foundation

<http://www.vedomosti.ru/business/characters/2016/12/20/670501-nravyatsya-zarplata>