

No.	Indicator	Disclosure	Compliance with GRI G3.1 for Level A
76	HR3. Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Personnel Management (page 100)	Full compliance
77	HR4. Total number of incidents of discrimination and corrective actions taken	No discrimination cases detected in 2013	Full compliance
78	HR5. Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	Personnel Management (page 104). The Company did not conduct any analysis of the suppliers in 2013 with respect to this indicator due to the absence of applicable regulatory requirements	Full compliance
79	HR6. Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	No child labor is possible in this company. Complex engineering of the enterprises implies that the worker should have at least secondary vocational education, therefore, employment of children is out of question. The Company did not conduct any analysis of the suppliers in 2013 with respect to this indicator due to the absence of applicable regulatory requirements	Full compliance
80	HR7. Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	TVEL FC is conducting its business in accordance with applicable laws of the Russian Federation which expressly forbid any use of forced labor. No cases of forced labor were detected in TVEL FC in 2013. The Company did not conduct any analysis of the suppliers in 2013 with respect to this indicator due to the absence of applicable regulatory requirements	Full compliance
81	HR8. Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	Personnel Management (page 100)	Full compliance
82	HR9. Total number of incidents of violations involving rights of indigenous people and actions taken	Not detected	Full compliance
83	HR10. (GRI G 3.1) Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	TVEL FC does not evaluate any processes in the context of human rights or transactions evaluated for impact on human rights, excluding however the rights envisaged by labor laws and personal data laws	Full compliance
84	HR11. (GRI G 3.1) Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	No complaints were filed against TVEL FC in 2013 with respect to violation of human rights	Full compliance

### Appendix No. 3. Records of the Proposals Made by Stakeholders of TVEL FC

#### Offers made by TVEL FC Stakeholders in prior periods

Description	Implementation of plans and obligations
Try to make the Report reflect the customer's reaction to the "social care" that the Company provides to inhabitants of its region of presence	<b>Noted.</b> Feedback Form is available in printed and interactive versions of the Report for 2012 and 2013
By the end of 2011, the Company should make a consolidated plan of events and projects to promote the development of social and economic environment of the regions of presence of incorporate enterprises and make a section at its corporate Website where information about implementation of the plan will be updated on a regular basis	<b>Noted</b> to the extent applicable to planning the events and projects. Section "Social Capital". Section in the corporate Website that will be updated to provide details concerning the events and implementation of the plan – in perspective
By the end of 2012, make a section on Website dedicated to interaction between stakeholders (obligation pending)	<b>Partially noted.</b> Interactive versions of the 2013 and 2013 Reports have a Feedback Form
In order to improve the environmental management system, audit the appropriate systems at MSZ JSC, JSC CMP, JSC NNCP, JSC MZP and CC JSC, and continue the introduction of corporate and integrated environmental management system	<b>Noted.</b> Section "Quality Management"
Modify Programs of Quality Environment Object Monitoring ("the OMSN") in accordance with Guidelines prepared by Federal State Unitary Geological Enterprise Gidrospetsgeologia	In 2012, Programs were modified at JSC AECC, JSC VNIINM, MSZ JSC, JSC NNCP and JSC CMP. Final coordination of the Object Monitoring Programs of JSC SGChE and JSC UEIP was planned for 2013. In 2013, modification and coordination of the OMSN of JSC SGChE and the Quality Environment Monitoring Center with ROSATOM State Corporation (Federal State Unitary Geological Enterprise Gidrospetsgeologia) detected the need for additional technical measures in order to develop the network of observation wells; the Program can be coordinated only upon completion of the said measures. JSC UEIP in 2013 completed the development of network of observation wells comprising the OMSN System of the enterprise; the Program was modified; currently, the Program is undergoing the final stage of preparations for coordination with the Federal State Unitary Geological Enterprise Gidrospetsgeologia. Results of the quality environment monitoring by JSC UEIP in conjunction with the Federal State Unitary Geological Enterprise Gidrospetsgeologia were presented at the Round Table dedicated to Quality Environment Monitoring during the international forum AtomEco-2013

<i>Description</i>	<i>Implementation of plans and obligations</i>
Expand the strategic goal and mission of TVEL FC by adding a point about liquidation of nuclear legacy. Describe the procedures and plans of cooperation with ROSATOM State Corporation, including its enterprises and organizations, in the sphere of handling RAW	<b>Noted.</b> Section "TVEL FC Development Strategy"
Improve the existing and create new standards for working with veterans of the industry	<b>Noted.</b> In 2013, the Fuel Company introduced a new corporate program for provision of support to non-working pensioners that is consistent with corporate social policy of ROSATOM State Corporation Section "Social Capital"
Elucidate on the subject Corporate Science in the 2013 TVEL JSC Report	<b>Noted.</b> Section "Intellectual Capital". "Innovative Potential as Development Basis of TVEL FC" is one of the priorities of the 2013 TVEL JSC Report
Detailed description of social and economic impact of TVEL FC within the regions of presence should be provided in each Report of TVEL JSC	<b>Noted.</b> Section "Social Capital"
Do not make a separate chapter for "Sustainable Development" in the next Report but rather integrate this kind of activity in the main sections of the Report	<b>Noted.</b> Chapter "Management System"

#### Suggestions Received from Stakeholders during the 2013 Reporting Campaign

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<i>Suggestion</i>	<i>Event*</i>	<i>Reaction of the Company</i>
<b>Suggestions regarding the contents of the 2013 public report</b>		
Expand the audience of stakeholders questioned	Dialogue 1	The suggestion will be noted during the preparation of the 2014 Report
Issue abridged version of the annual report by April when forum/dialogue of ROSATOM State Corporation "Nuclear Energy, Society, Safety-2014" is held	Dialogue 1	Cannot be noted due to the time of the forum
Provide information in the annual report about personnel training and provision of support to veterans	Dialogue 1	Noted during the preparation of the Report, Section "Personnel Management"
Include roadmap for transition to GRI G4, including ranking of the activity aspects that are to be disclosed	Dialogue 1	Will be noted at the time of preparation of the first report under GRI G4
Upon conversion to GRI G4, focus on the basic level of disclosure	Dialogue 1	Will be noted at the time of preparation of the first report under GRI G4

<i>Suggestion</i>	<i>Event*</i>	<i>Reaction of the Company</i>
Present the Annual Report of the FC for the year of 2013 at the site of JSC SGChE and other regions of presence of the Fuel Company	Dialogue 1	We expect this suggestion to be noted, subject to approval the 2014 budget of Public Relations Department
Publish the abridged version of the Annual Report on the Website of the Russian Atomic Community	Dialogue 1	Will be noted by way of publishing of press release about the issue of the public annual report of TVEL JSC
Each section of Chapter 4 of the Annual Report – "Outcomes by Capital" should also have description of the policy of activities and a list of events and plans up to 2030	Dialogue 1	Will be noted in the course of preparation of future reports
Chapter "Outcomes by Capital" in the 2013 Report should start with Section dedicated to innovations	Dialogue 1	Found not feasible
Add Section dedicated to risk management	Dialogue 1	Noted during the preparation of the Report, Section "Risk Management"
The Report should mention that the Fuel Company develops its business in compliance with mandatory safety provision in the broadest sense of word and keeps working on solution to the problem of "nuclear legacy". This kind of information is extremely important	Dialogue 2	Noted during the preparation of the Report, Chapter "Environmental Impact (Natural Capital)"
Description of innovative development should link the innovative projects in progress to corporate strategy of nuclear and non-nuclear spheres. It is important to point out the relationship between the Company's activities and the environment: context and analysis of conditions, potential and opportunities	Dialogue 2	Noted during the preparation of the Report, Section "TVEL FC Development Strategy", Section "Place of TVEL FC in the World Market of FE NFC" and Section "Innovative Activities in Non-Nuclear Industry"
The declared priority topic is beyond the scope of technology. Innovations are also used in organizational development and in social and economic relations. There is one more important component – education of the residents of the regions of presence of the Fuel Company, e.g. supporting programs to promote innovative thinking in schoolchildren, students and young employees of the enterprise. In 2013, JSC SGChE together with Seversk Technological Institute NRNU MEPhI held quite a number of events in this sphere. The primary goal is to build education process so as to encourage the ability to think innovative, develop scientific thinking in children and teach them innovative thinking methods. This is innovative training! We would like the Fuel Company to support these initiatives and include them in its 2013 Report.	Dialogue 2	Noted during the preparation of the Report, Section "Personnel Management"
It would be great, if the Report provided information not only about RPS and work on suggestions for improvement, but also information about the incentives (including pecuniary) that would encourage the personnel to make these suggestions	Dialogue 3	Noted during the preparation of the Report, Section "Productive Efficiency Management"

<i>Suggestion</i>	<i>Event*</i>	<i>Reaction of the Company</i>
The Report should have information about training provided to the young people and students about work with children, i.e. training the next generation of workers of the Fuel Company	Dialogue 3	Noted during the preparation of the Report, Section "Personnel Management"
2014 is the year of culture in the Russian Federation. It would seem reasonable that the 2013 Report should be designed so as to reflect cultural diversity and riches of Russia (Malevich, Lisitsky, etc.)	Dialogue 3	The suggestion will be forwarded to the Company that designs the 2013 Report
Did not find information about contribution of the Fuel Company to big science in connection with prospective tasks	Dialogue 3	Noted during the preparation of the Report, Section "Fundamental Scientific Activity"
Forum-dialogue "Nuclear Energy, Society, Safety-2014" will be held in Moscow on April 10-11. This is the biggest event in the C.I.S. dedicated to this subject. The Fuel Company should think about presenting its draft annual report to the audience	Dialogue 3	Cannot be noted due to the time of the forum
Did not find information about cooperation of ROSATOM State Corporation with consortium of base universities. Nothing about human resources and engineering	Dialogue 3	Noted during the preparation of the Report, Section "Personnel Management"
Provide information about participation of universities comprising the consortium of base higher education institutions of ROSATOM State Corporation in scientific and engineering activities of the Fuel Company. Specifically, elucidate on the scientific and engineering areas involving the base universities that comprise the consortium, and on conformity of the amounts paid to the universities for R&D projects to the values set forth in the KPI of ROSATOM State Corporation Program for Innovative Development and Technological Modernization for the Period Up to 2020 (percentage of funding provided to universities for R&D Projects of total R&D outlays – 4% in 2013, 5% in 2015, etc.)	Dialogue 3	Not noted in 2013 reporting campaign. Will be noted at the time of preparation of the 2014 Statement
Checked the topic of formation of social harmony by the Fuel Company and found nothing about the role of trade unions. Extensive involvement of TVEL FC personnel and maintenance of environment of social harmony is in many ways the result of good relationship between the administration of the enterprises, trade unions, veteran councils and other workers' associations	Dialogue 3	Noted during the preparation of the Report, Section "Personnel Management"
One should understand that the subject of social capital is closely tied to the subject of industrial, human and reputation capital. One should elucidate on the types of capital in the business model and properly structure the information in the Report by each type of capital	Dialogue 3	Noted during the preparation of the Report, Section "Value Creation"
Comparing the salaries at various subsidiaries and affiliates of TVEL JSC and salaries in vital areas of business – this is a GRI. If the comparison is favorable, it must be published in the Report	Dialogue 3	Noted during the preparation of the Report, Section "Personnel Management"

<i>Suggestion</i>	<i>Event*</i>	<i>Reaction of the Company</i>
Comments to the arrangement of information: the ROSATOM Production System is part of production activity, therefore, it does not seem to be correct when it only deals with social capital	Dialogue 3	Noted during the preparation of the Report, Chapter "Productive Efficiency Management", "Personnel Management"
The title "Natural Capital Management" is not proper. There is no legal basis for the term "natural capital". In addition, "Natural Capital" implies quite a bit more than "environment protection" or "Environmental Impact (Ecology)". TVEL FC is a user of natural resources only. Therefore, one should think of a more fitting title for the section that deals with environmental impact	Dialogue 3	Noted during the preparation of the Report, Chapter named "Environmental Impact (Natural Capital)". The Glossary contains definition of capitals in accordance with the IIRS
If you need to use the term "Natural Capital" in the Report pursuant to requirements of the IIRS, you should provide definition thereof in the Glossary	Dialogue 3	
"Zero emissions", "zero failure level" you should avoid using such terms in the Report. Mention the potential loss of containment of TVS, how the Fuel Company looks like in comparison with international practices in this aspect, and how the Company intends to minimize the possibility of any such loss to the values below international standards. Mention the objective to stay within the limits of emission rather than the number of malfunctions and emissions that are zero. It looks like an emotional report made using technically inappropriate language	Dialogue 3	"Zero Failure Level" is the official name of the project. The risk of loss of containment of TVS for NPP using VVER-1000 is addressed in Section "Quality Management"
If the Company intends to mention in its Report average points earned at the meetings dedicated to discussion of the FC strategy, the values should be presented no longer than two digits after the decimal point	Dialogue 3	Noted during the preparation of the Report, Section "Stakeholders engagement"
The diagram describing correlation of strategic goals of ROSATOM State Corporation and TVEL FC should highlight the point where the goal of ROSATOM State Corporation to ensure competitiveness of its products and the goals of the Fuel Company with respect to development of the second core business meet	Public consultation	Noted during the preparation of the Report, Section "TVEL FC Development Strategy"
Mitigation of the risks is the key result of corporate risk management system functioning. The Report should reflect this result. If the Company applies the same conceptual approaches to risk management, it would seem reasonable to make a link to the report made the year before, and sections describing the results of the year of report should mention specific events in the sphere of risk management held over the period of report and present the results (risk reduced/increased/unchanged)	Public consultation	Will be noted in the course of preparation of future annual reports
Information about the share on the markets of fabrication and enrichment should provide a link to the dynamics of the same values in previous years	Public consultation	Noted during the preparation of the Report, Section "Place of TVEL FC in the World Market of FE NFC"

<i>Suggestion</i>	<i>Event*</i>	<i>Reaction of the Company</i>
National operator commenced its work in Russia to handle radioactive waste. It already experiences certain communication problems with the Closed Administrative Territorial Unit and with some enterprises. Public Council with ROSATOM State Corporation organized a working group to handle this matter. The forthcoming Report should provide information about the ways for the Company and its subsidiaries and affiliates to interact with the National Nuclear Waste Operator	Public consultation	Will be noted in the course of preparation of future annual reports
We found the information about cooperation agreements with the regions and we regret to say that information about implementation of these agreements in 2013 (for JSC SGChE – creation of BREST-300, physics and math lyceums, etc.) is scattered all over the Report. The authors should provide links to information about the agreements and description of specific results. This kind of information is important to our stakeholders	Public consultation	Noted during the preparation of the Report, Section “Development of the Regions of Presence”
Modify the table dedicated to the current products by development of new businesses of TVEL FC to present JSC SGChE as the main manufacturer of stable isotopes	Public consultation	Noted during the preparation of the Report, Section “Innovative Activities in Non-Nuclear Industry”
Update the section dedicated to cooperation agreements with the regions by adding information about negotiations held in 2013 and plans for 2014 with respect to signing such agreement between ROSATOM State Corporation and Irkutsk Region	Public consultation	Preparations were made in 2013 for signing of cooperation agreement between ROSATOM State Corporation and Irkutsk Region Administration. This work has yielded no specific results so far. Including this kind of information in the Report would be premature, because negotiations go on
The list of vital issues that need to be resolved in connection with drafting of the industrial program of strategic development of the Closed Administrative Territorial Unit mentions “development and synergy in transportation, social and engineering infrastructures of agglomeration Tomsk–Seversk and agglomeration Yekaterinburg-Novouralsk”	Public consultation	Partially noted in the course of preparation of the Report, Section “Development of the Regions of Presence”

<i>Suggestion</i>	<i>Event*</i>	<i>Reaction of the Company</i>
<b>Suggestions with respect to activities of the Fuel Company</b>		
TVEL FC should make inter-generational continuity, including personnel training and support to veterans, a priority task	Dialogue 1	These are already mentioned among other priorities in corporate personnel policy. For details see Section “Personnel Management”
The Fuel Company should participate in Glazov Industrial Park Project. In 2013, the town administration drafted the concept and standard business plan for the local industrial park. Materials are open to public on the official Website of the town administration	Dialogue 2	Funds from TVEL FC are raised through additional taxation mechanisms under the plan of events funded by the consolidated group of taxpayers. The Program of Social and Economic Development of Glazov in 2013-2014 envisages disbursement of RUB 99 mln. at the cost of increased regional taxation for purposes of implementation of investment policy to promote job creation
The demand for nondestructive inspection aids is growing worldwide. This is about instrument engineering where JSC NNCP, JSC CMP, JSC VPA Tochmash, JSC SGChE and JSC VNIINM have sufficient skills and expertise. The Fuel Company should develop a program to get a piece of the action on this market. Among other things, one should engage expertise and innovative solutions of scientific organization beyond the loop of ROSATOM State Corporation, while using the existing know-how in aerospace, petroleum and other industries and adapting them to specifics of the nuclear sector	Dialogue 2	These projects are implemented by ROSATOM State Corporation
JSC PA ECP operates a unique automated industrial and environmental monitoring system that allows to get updates about the environment (including radiation) situation online. This ideology and structure should be supported and, probably, used as the basis for building the national monitoring system	Dialogue 3	These systems of industrial and environmental monitoring are operated by all environmentally important subsidiaries and affiliates of TVEL JSC. National monitoring system is within jurisdiction of the government and creation thereof is regulated by documents of the Ministry of Natural Resources and Environment of the Russian Federation
Creation of conditions for development of small and mid-sized businesses should be supported by ideas about the spheres where these businesses may operate within the Closed Administrative Territorial Unit. A lot of higher education institutions, such as the Lomonosov Moscow State University, have some interest projects on this matter	Dialogue 3	Comprehensive planning of business development in 2014 includes mapping of the area for assignment of prospective market niches to the existing and potential small and mid-sized businesses
Information Centers of nuclear industry may provide proper basis for establishment of external communications. You should acquire more projects for our centers	Dialogue 3	Continuous interaction with information center of nuclear industry is already going on for educational purposes. TVEL JSC provides funding every year in support of Autonomous Non-profit Organization Information Center of Nuclear Industry (ANO ICNI), see Section “Charitable Activity and Support of External Social Programs”

<i>Suggestion</i>	<i>Event*</i>	<i>Reaction of the Company</i>
TVEL FC should consider the creation of a vertical structure similar to that of Rosenergoatom Concern JSC where interregional public veterans organization (MOOVK) functions successfully	Dialogue 3	Please keep in mind that all enterprises of the Fuel Company, unlike the NPP of Rosenergoatom Concern JSC, are stand-alone business entities with their own trade unions which usually have veterans organizations. At this time, TVEL FC is not thinking about the establishment of a public organization that would coordinate the activities of veterans organizations at the enterprises. This process may be started under the RPRAEP
Please send presentations to participants in advance, this would make the Dialogue more effective	Dialogue 3	This will be done whenever possible, subject to the terms of revision of the materials by the Permanent Technical Commission
Please note that execution of a collective agreement for each specific enterprise is a unique process, because the said agreement cannot be executed in a standard form that suits everyone. Locally, one often has a better insight into how to proceed with each specific social program. If we want to keep social harmony, put more trust in people locally	Dialogue 3	Draft collective agreements are examined by experts in accordance with recommendations of ROSATOM State Corporation. Fundamental principles of collective agreements have been repeatedly discussed at the meetings where chairmen of primary trade union cells have been delegated

\* Dialogue 1 held on December 12, 2013 was dedicated to the concept of public annual report of TVEL JSC for the year of 2013. Dialogue 2 and Dialogue 3 aimed to discuss with the stakeholders disclosure of priority topics in the public annual report («Innovative Potential as Development Basis of TVEL FC» and « Social Capital Management of TVEL FC»). Dialogue 4 –public consultations on the draft public annual report of TVEL JSC for the year of 2013.

## Appendix No. 4. Corporate Governance Code Compliance Report

<i>No.</i>	<i>Provision of the Corporate Governance Code</i>	<i>Observed or not observed</i>
<b>General Meeting of Shareholders</b>		
1.	Notification of shareholders about the General Meeting at least 30 days before the date when it is scheduled to convene regardless of the issues in its agenda, unless a longer term is envisaged by applicable laws	Not applicable because the Company has only the Sole Shareholder
2.	Ability of shareholders to study the list of persons entitled to participate in the General Meeting of Shareholders, starting from the day of notification on its holding and up to the ending of such meeting in person, and in case of an extra-mural General Meeting of Shareholders – and through the date of termination of voting bulletins acceptance term	Not applicable because the Company has only the Sole Shareholder
3.	Ability of shareholders to study the information (materials) that is to be presented in the course of preparation for the General Meeting of Shareholders, using the electronic means of communication, including the Internet	Compliant
4.	Ability of shareholders to suggest an issue to the agenda of the General Meeting of Shareholders or demand that the General Meeting of Shareholders is convened without provision of an excerpt from the Register of Shareholders, if its rights to the shares are recorded in the Register of Shareholders System, and if its rights to the shares are recorded by means of its deposit account, an excerpt from any such account shall be sufficient for exercising of any such rights	Not applicable because the Company has only the Sole Shareholder
5.	Provisions in the Articles of Association or any other internal regulations of the Joint-Stock Company requiring physical presence of the General Director, members of the board, members of the Board of Directors, members of the Audit Commission and the Auditor of the Joint-Stock Company at the general meeting of Shareholders	Not applicable because the Company has only the Sole Shareholder
6.	Mandatory presence of candidates at the General Meeting of Shareholders to consider the issues on the election of the members of the Board of Directors, the General Director, members of the board, members of the Audit Commission and approval of the Auditor of the Joint-Stock Company	Not applicable because the Company has only the Sole Shareholder
7.	Provisions in the internal regulations of the Joint-Stock Company that envisage any registration procedure for the participants of the general Meeting of Shareholders	Not applicable because the Company has only the Sole Shareholder
<b>Board of Directors</b>		
8.	Provision in the Articles of Association of the Joint-Stock Company authorizing the Board of Directors to approve the annual financial and economic plan of the Joint-Stock Company	Compliant
9.	Risk management procedure approved by the Board of Directors of the Joint-Stock Company	Compliant