

The primary elements of the public accountability system provided for by the Policy of ROSATOM State Corporation in the area of public accountability shall be the operational center of responsibility for public accountability of TVEL FC, legislative framework, the representatives of stakeholders (participating in the preparing of the accounting data) as well as infrastructure support (consultative and instructional support, audit, etc.).

Legislative framework

The Report shall be prepared based on the documents governing the public reporting of TVEL JSC:

- The standard of public annual reporting of TVEL JSC;
- The rules of public annual reporting of TVEL JSC;
- Charter of the committee of stakeholders of TVEL JSC;
- Charter of the committee on public annual reporting of TVEL JSC.

Operational center of responsibility

The operation of the public accountability system of TVEL JSC is based on the work of variety of subunits. The main functions are divided between the vice-presidents of TVEL JSC, the Committee on public annual reporting of TVEL JSC, and the Public Relations Department (see details in the Report for 2011-2012).

GRI G3.1: 2.10

For the purpose of dissemination of information about the Company’s activities the annual reports of the committee on public annual reporting of TVEL JSC participate in federal, industry and other contests; the KPI card of the Head of PR Department includes the index “Awards in Federal Contests”.

TVEL JSC Annual Report 2012 Awards:

- 2nd place in overall standings of the industry contest of the annual reports of ROSATOM State Corporation;
- Moscow Exchange Contest of annual reports: nominated for award in the nomination “Annual Report Best Design and Printwork”;
- Contest held by the Expert rating agency: TVEL JSC’s report is recognized an award winner within the special nomination “For the contribution to the development of stakeholders engagement while preparing annual report”, as well as was it nominated for award in the nomination “Design and Printwork”.

While preparing the report the great deal of work has been done both by the Company and the representatives of stakeholders.

The committee on public annual accounts reporting of TVEL JSC expresses gratitude to everybody who showed interest to the Company’s activities after having familiarized with the Report.

Statement on Public Assurance of the Report

Introduction

TVEL JSC management (main company of the FC with ROSATOM State Corporation, hereinafter – “TVEL FC”) contacted us with an offer to assure the 2013 Annual Report of the Fuel Company (hereinafter – “the Report”) in terms of completeness and relevance of information disclosed therein, and to assess the performance of management in response to recommendations and remarks of stakeholders.

Draft Report Assurance Procedure

We are sufficiently competent and skilled in the sphere of corporate liability, sustainable development and non-financial reporting.

We hereby confirm that we are acting independently and undertake to be objective in our assurance, thereby expressing our personal expert opinion rather than the opinion of companies we represent. No remuneration has been received from TVEL FC for our efforts and time invested this project.

Our conclusion is based on the study of two versions of the 2013 Report (Draft Report for Public Consultation and the final version) and the analysis of information obtained in the course of dialogues and public consultations (presentations, minutes of the events, table of comments). In addition, we and our representatives were allowed to participate in the dialogues and public consultations dedicated to the Draft Report in December 2013 – April 2014 and freely express our opinion on the matters discussed.

We are not aware of any facts that compromise reliability of data set forth in this Report. However, checking of the data collation system and verification of reliability and completeness of information is not the subject matter of public assurance.

Results of our work are formalized in this Statement wherein the opinions we all agreed upon are presented.

Estimates, Comments and Recommendations

We all share positive opinion about the Report. TVEL FC has prepared an informative and well-structured document that meets our expectations. It sums up the results for 2013 and demonstrates the dynamics over the period of three years. Detailed description of the value creation process, business model, capitals (resources) used and performance results definitely contribute greatly to the merit of this Report. It is our opinion that the topics prioritized by the management and stakeholders of the Company, such as “Social Capital Management of TVEL FC” and “Innovative Potential as Development Basis of TVEL FC” are fully disclosed.

Another obvious advantage hereof is that this Report serves as a presentation of all key performance indicators with respect to reporting in the sphere of sustainable development GRI G3.1, public reporting indicators of ROSATOM State Corporation, and compliance with IIRC recommendations. We would point out the constructive nature of stakeholders engagement demonstrated by the management in the course of preparation hereof and during the dialogues and public consultations, as well as top quality organization of these events.

Relevance of Information

It is our opinion that this Report covers all topics that are essential to the stakeholders, both in terms of key business and in terms of social, environmental and economic aspects of

sustainable development. The information that is most essential for proper understanding of the TVEL FC prospects can be found in sections of this Report dedicated to disclosure of information about the development strategy and performance of the Company in terms of conversion of the capitals it uses. In addition to these merits of the Report, we would also specifically mention the description of value creation process at TVEL FC and the relationship between the Company's strategy and its performance results and environmental impact.

Complete and Relevant Information

In our opinion, this Report contains relevant information that is sufficiently complete for proper understanding of the current state and prospects of the Company by the stakeholders.

Company's Response to Comments and Recommendations of Stakeholders

The Company has duly noted recommendations of the stakeholders in the minutes of dialogues and public consultations, and conducted thorough analysis and used them in the final version of the Report and in its activities. Recommendations of stakeholders were used for modification of section "TVEL FC Development Strategy", Section "Environmental Impact (Natural Capital)", Section "Place of TVEL FC on the Global Market", and Section "Innovative Activities in Non-Nuclear Industry".

Hereby we would confirm that all our suggestions are set forth in the Table of Comments of Stakeholders (Appendix No. 3 to the Report).

Therefore, TVEL FC has demonstrated a responsible approach to implementation of requirements set forth in Public Reporting Policy of ROSATOM State Corporation, and showed constructive attitude to wishes and suggestions of stakeholders.

Noting the traditionally high quality of TVEL FC stakeholders engagement, we hope that the experience accumulated in the course of the dialogue and public consultations will be fully taken into account and applied in the future.

Director of the Institute for Development of NRNU ME Phi		E.M. Glagovsky
Head of the Federal Service for Environmental, Technological and Nuclear Supervision		A.I. Kislov
Executive Director of the Association of Closed Administrative Territorial Unit for Nuclear		A.I. Makarenko
Secretary of the CC RPRAEP		A.G. Vanichkin
Deputy Director for Research and Development, Vice-President of the Russian Society for Non-Destructive Testing and Technical Diagnostics (RONKT)		N.R. Kuzelev
Head of Division of the NEC ROSATOM State Atomic Energy Corporation		O.I. Linyaev
Deputy Head of Electrostal Urban Okrug Administration		V.P. Davydov
Member of Public Council of ROSATOM State Corporation. Member of the Board of the Center for Russian Ecological policy		V.F. Menshikov
Chairman of the All-Russian Public Children's Environmental Movement "Green Planet", member of the Academy of Medical Sciences		M.V. Medvedeva
Head of the Center for Corporate Social Responsibility and Non-financial Reporting of the Russian Union of Industrialists and Entrepreneurs		E.N. Feoktistova
Executive Director of International Public Ecological Organization "Greenlight"		O.V. Plyamina