

5.2.4.

PLANS FOR 2015 AND THE MID-TERM HORIZON

For the purposes of development of the initiative on the creation of advanced development territories in nuclear cities in 2015 it is planned to develop concepts of such territories in all CATF of the nuclear sector. The concepts will determine specialisations of the territories and key projects. City-forming enterprises in CATF, administrations of CATF and RF territorial entities on which territory CATF are situated will take part in concepts elaboration.

In 2015 it is planned to continue cooperation with the Ministry of Culture of the Russian Federation (Federal Centre for the Support of Road Tours and Moscow State Academic Philharmonic named after Tchaikovsky P.I.) with respect to road tours of leading Moscow theatres and performers in nuclear cities, advanced training of heads of culture departments and workers of cultural establishments of nuclear cities.

It is planned to hold a wide range of events confined to the 70th Victory Day and 70th anniversary of the nuclear industry.

In 2015 industry-wide educational initiative "ROSATOM School" will start its new chapter of history. It will begin its operation abroad – in countries that are Russian partners in nuclear technologies development.



5.3.

INTERACTION WITH STAKEHOLDERS

345

thousand people

visited Atomic Energy
Information Centres

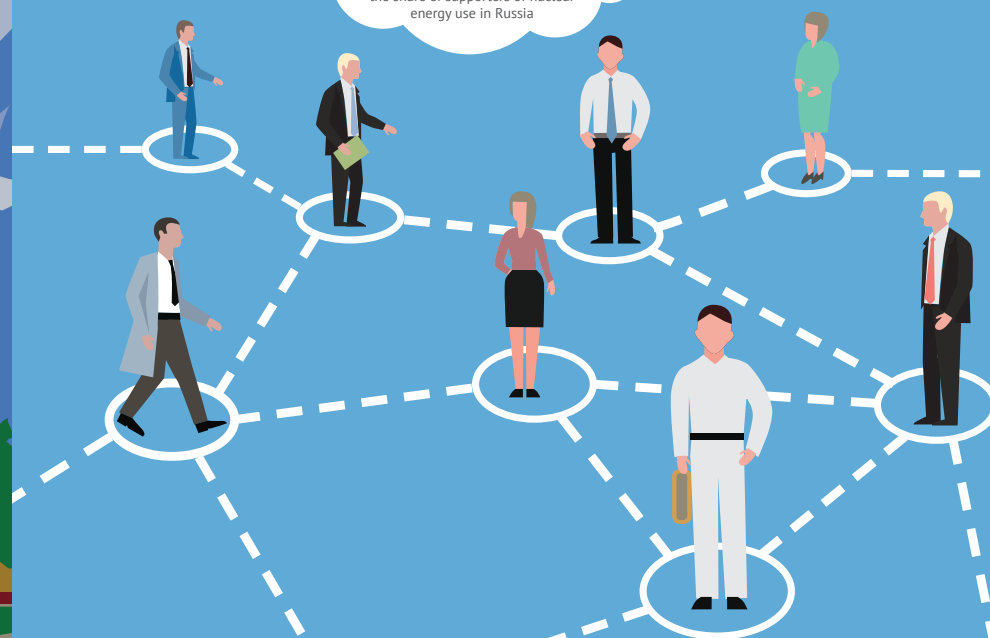
11.3

mln. people

audience of television
programme "Strana ROSATOM"
("ROSATOM Country")

72 %

the share of supporters of nuclear
energy use in Russia





**DIRECTOR OF THE COMMUNICATIONS
DEPARTMENT
SERGEY NOVIKOV**



ROSATOM Annual Public Report will be published in the year of the 70th anniversary of Russian nuclear industry. Exhibition "Chain reaction of success" will be carried out at Moscow Manezh throughout September 2015. What is the main idea of the exhibition?

The aim is to restore the historical context many years later and give a reply to the question why impetus to the development of the nuclear industry in our country was given 70 years ago, in 1945. It is not a business exhibition and it's not "Atomexpo" forum where business partners study our marketing offers. It is a cultural and historical exhibition targeted at common Russians, children, youngsters – everybody who would like to know the history of nuclear industry creation.

What other events confined to the 70th anniversary will be held?

Gala concert at National Kremlin Palace. "Russia 1" TV channel will broadcast it.

The script of musical film "Nuclear Kids" is also confined to the anniversary this year. But the approach is original – a story about Kurchatov's childhood, moreover, it is a fantasy. Were You not afraid that some people can give a hostile reception to the idea?

The storyline of many projects is historical this year. As for "Nuclear Kids", the logic is the following: kids cannot tell onstage something they do not understand. They are not professional actors. We came up with the following idea – we imagined that kid Kurchatov could have been an indirect participant of events in the Crimea in 1916. But it's a story for kids: children who played key roles understood what it was about – about the life of a boy and each of them could have been this boy as adjusted for the historical details. The storyline awaked interest of Russian and foreign performance participants to Igor Kurchatov. They obtained information what he is famous for, why we create a musical film about him – what he did that people tell about his adventures onstage 99 years later.

5.3.1.

APPROACHES TO INTERACTION WITH STAKEHOLDERS

Given the scale and features of activities (simultaneous carrying out the diversified state and business tasks), ROSATOM has a broad range of stakeholders, both in Russia and outside.

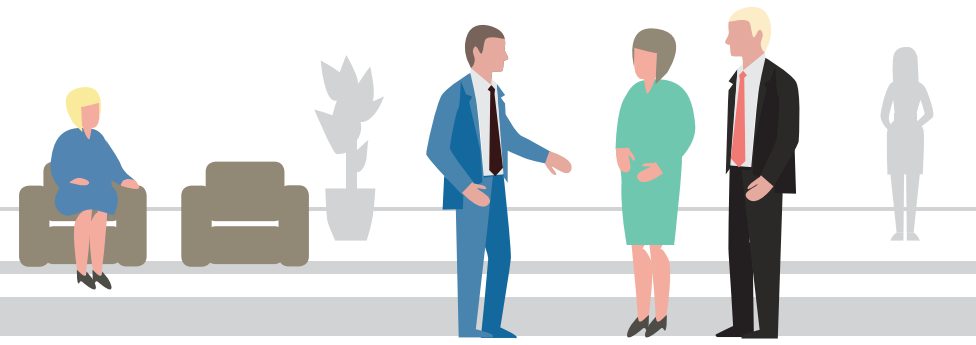
The focused work with stakeholders is governed primarily by the aim to achieve strategic goals and to ensure public acceptance of nuclear power development.

Given the multiplicity of core businesses (uranium production, construction of NPPs, electricity generation, fuel fabrication, nuclear decommissioning, SNF and RAW management, power machine engineering, etc.), as well as supporting activities (international legal cooperation, law-making, etc.), each area has its own stakeholders, and ROSATOM structures systemic and planned interaction with them (see. sections "[International cooperation](#)"; "[Execution of public functions](#)"; "[Development of Human capital assets](#)"). With that, some of ROSATOM's work is aimed at the interaction with all stakeholders and the general public. Work on the interaction with stakeholders is also based on Corporation internal documents.

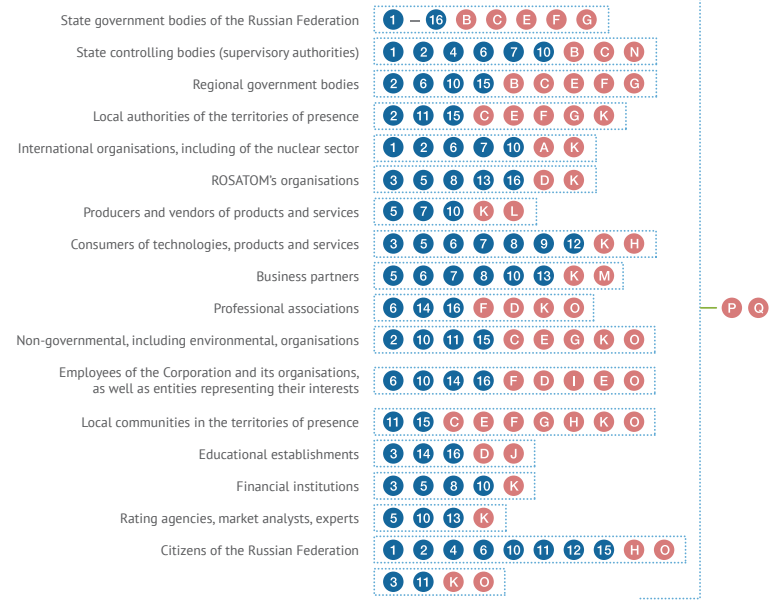
The basic principles underlying the interaction are respect and consideration for all participants, open and efficient cooperation, provision of information about ROSATOM activities to stakeholders in full and in a timely manner, drive to get certain benefits by all participants, and fulfilment of obligations



Ranking map of stakeholders*



Interaction with stakeholders



Interests of stakeholders

- 1 Support of a nuclear material and technology non-proliferation regime
- 2 Nuclear, radiation and environmental safety
- 3 Technological modernisation of the nuclear industry
- 4 budget funds
- 5 ROSATOM's organisations
- 6 Observance of international and Russian law
- 7 Fair competition and responsible behaviour in the markets
- 8 Competitiveness in the global markets
- 9 Improvement of product and service quality
- 10 Transparency of ROSATOM's activities, including transparency of procurement
- 11 Solution of the problem of the "legacy" of past economic and defence activities in the sector

- 12 Reliable electricity supply
- 13 Adaptation of international norms and standards of management
- 14 Decent remuneration of personnel, professional advancement of employees, safe labour conditions
- 15 Improvement of the quality of living in the territories in which ROSATOM has a presence
- 16 Development of ROSATOM and its organisations' human resources

Types of stakeholder engagement

- A Cooperation with related international organisations, participation in international programs and projects
- B Participation in law-making
- C Holding of public hearings and public environmental reviews on nuclear power unit construction projects
- D Personnel training and skill advancement programs

- E Social programs and projects
- F Participation in the development of territories in which ROSATOM has a presence
- G Charity
- H Sociological studies, consumer satisfaction research
- I Hotlines
- J Cooperation programs with associated universities
- K Dialogues, presentations, forums, conferences
- L Open and competitive procurement procedures
- M Cooperation programs with other companies
- N Cooperation programs with state control (supervisory) authorities and law enforcement agencies
- O Public governance and control bodies
- P Information and communication
- Q Public reporting

7.2.

DIALOGUES

WITH STAKEHOLDERS AND TAKING INTO ACCOUNT STAKEHOLDER PROPOSALS

To enhance the transparency and accountability of ROSATOM, representatives of major stakeholders are involved in the preparation of the Report through discussions about the significant aspects of the Corporation's activities and the disclosure of these activities in the Report being prepared, as well as for the participation in the public assurance of the Report. The above-mentioned procedures are the integrated part of the following international standards: AA1000SES Institute of Social and Ethical Accountability, Global Reporting Initiative (GRI, G4 version), <IR> International Framework. When preparing the previous Report, ROSATOM undertook obligations, most of which were fulfilled in the 2014 Report, with some of the obligations undertaken for 2015.

In the process of discussion, the stakeholder representatives voiced requests and specific recommendations for any information to be disclosed in the annual report, as well as proposals with respect to the development of the public reporting system (the minutes of the dialogues are available at the Communications Department upon request).

To enhance the transparency and accountability of ROSATOM, as well as to meet the requirements of the AA1000 series international standards, two dialogues with stakeholders were conducted in the process of Report preparation, representatives were questioned to identify the material aspects of the Corporation's activities to be disclosed in the Report ([see Appendix 1](#)).



Table. Fulfilment of the obligations undertaken in the preparation of the 2013 report

Stakeholder proposals	Obligations of the Corporation	Obligations fulfilment
To disclose ROSATOM's performance indicators as compared to leading international competitors.	The proposal will be reviewed during the conceptualisation of the 2014 report.	Partially the information disclosed in "Creating of value, the business model and market presence" of this report. Overall, indicators, for which it is advisable Corporation comparison with foreign competitors, will be determined in the autumn of 2015.
To include the veteran community in the draft report assessment activities.	The proposal will be reviewed by ROSATOM's Public Reporting Committee.	The draft report was submitted for public consultation in the framework of the forum-dialogue "70 years of the Russian atom. National interest, environment, security" in Chelyabinsk November, 06, 2015. Chairman of MODV AEP V.A. Ognev took part in a public consultation.
To disclose in the report the approach concerning the precedence of production waste processing over waste disposal.	The proposal will be discussed during the conceptualisation of the 2014 report.	The proposal is considered in the "Environmental Safety."
To disclose in the report the comparison of the RPS and the production systems of other companies.	The proposal will be reviewed during the conceptualisation of the 2014 report.	The proposal will be considered in the preparation of reports concepts for the following years and taken into account in case of introduction of production efficiency in the number of material topics for the disclosure in the report.
To describe in the report, in one and the same manner, the business models, goals and results for divisions.	The proposal will be taken into account in the preparation of the 2015 reporting campaign.	A seminar on this subject was held on 03/20/2015 on which the unified guidelines for the disclosure of the theme "business model" were developed. Recommendations are implemented in the 2014 reports of divisions of the Corporation.
To disclose, for each division, the implementation efficiency indicator of investment projects and the effects thereof on the business models of the divisions.	The proposal will be reviewed during the conceptualisation of the 2014 report.	Information on the effectiveness of investment projects of divisions is disclosed in the annual reports of divisions for 2014. In preparing the report in 2015 will be considered the possibility of introducing a common set of indicators.
To give attention, when preparing the report, to the power industry evolution forecast in the report of British Petroleum (as the best practice model).	The report of British Petroleum will be analysed.	Report of British Petroleum was analysed. The approach to the disclosure of information on the subject was taken into account when drafting the section "Markets of presence."

Stakeholder proposals	Obligations of the Corporation	Obligations fulfilment
To include in the report a check list as to the fulfilment by the Corporation of the requirements in the newly worded Corporate Governance Code.	The proposal will be reviewed during the conceptualisation of the 2014 report.	The offer is not taken into account. Reason: given the specificity of the corporate governance and the structure of the share capital of the Corporation and its organisations, which implies the almost complete absence of outside shareholders, including those based on the direct requirements of the legislation of the Russian Federation, the implementation of the Corporate Governance Code, the main objectives of which is to prevent the violation of the rights of minority shareholders, the definition of mechanism for resolving corporate conflicts between shareholders, the introduction of independent boards of directors, establishment of requirements for the independence of directors, the mechanism of compensation for them, and so forth, will diverge from the existing model of management of the Corporation.

Table. Taking into account the most significant stakeholder proposals suggested in the preparation of the 2014 report

Stakeholder proposals	Consideration of proposals
To disclose information on the localisation of nuclear power plant construction, stating specific figures and examples.	Taken into account in the section 2.1. "International business".
To disclose information about the non-nuclear products.	Taken into account in the section 2.4. "Business Diversification".
To reflected in the report global market development in a scenario pledge just to show appreciation of the global market.	Taken into account in the section 1.4.3. "Markets of presence".
To reflect the effect of sanctions against Russia for the activities of ROSATOM.	Taken into account in the section 2.1. "International business", 2.2. "International cooperation", 4.2. "Risk management".
To specify not only the number of employees involved in the disciplinary action as a result of violations of anti-corruption, but also to disclose information on follow-up by law enforcement agencies of the Russian Federation.	Not taken into account. The measures taken by law enforcement agencies, are outside the area of responsibility of ROSATOM.

Stakeholder proposals	Consideration of proposals
To specify the impact of works on environmental protection, and not just the size of the expenditure.	Taken into account: examples of significant initiatives to reduce the impact on the environment are given in section 6.3 "Environmental Protection".
To indicate presence or absence of accidents at the facilities of ROSATOM in the reporting year.	Taken into account in the section 6.1. "Nuclear and Radiation Safety".
Disclose information on the impact of the Corporation on the development of human capital in the regions of presence.	Taken into account in the section 5.2. "Contribution to the development of the territories of presence".

Table. ROSATOM's obligations for taking into account proposals suggested in the preparation of the 2014 report

Stakeholder proposals	Obligations of the Corporation
Disclose information about the activity, aimed at finding foreign investors from the Eastern countries.	It will be considered in the preparation of the 2015 report framework.
To expand the information on corporate contributions to the economic development of the regions (in addition to interaction with suppliers and contractors).	It will be considered in the preparation of the 2015 report framework.
Explain what has caused the decline in intangible assets in 2014.	Reduction is insignificant within 1%. International Business Department, together with the Unit of innovation management is implementing the project "Identification and protection of key products and core technologies", aimed at the legal registration and protection of technology and intangible assets. Information about the project will be presented in the report for 2015.
Improve effectiveness of the work of Commission of stakeholders of companies of the nuclear industry.	It will be considered in the planning of works for 2016 on the improvement of the industry public reporting system.
To discuss the draft report with the public in the CATF and in the regions of presence.	It will be considered in the preparation of the 2015 report framework.
More disclose information about how in the Corporation are implemented the measures on import substitution.	Plans in the field of import substitution are reflected in the report for 2014 (in particular, in the "Nuclear Weapons Division", "Diversification of business"). The results of this work will be presented In the report for 2015.