

Appendices

Appendix 1. Information about the Report

Contents of the Report

The public annual report of JSC Atomredmetzoloto for 2017 (hereafter referred to as the Report) is the 10th integrated report of the Holding Company.

Report Scope

JSC Atomredmetzoloto's business operations from 1/1/2017 until 12/31/2017.

The report covers all main companies within the Holding Company's management structure.

JSC Atomredmetzoloto Annual Report 2016 was published at the Company's web site at www.armz.ru (Shareholders and Investors > Information Disclosure > Annual Reports) in July 2017.

Federal Regulations:

- Federal Law No. 208-FZ dd. 12/26/1995 On Joint-Stock Companies;
- Federal Law No. 402-FZ dd. 12/6/2011 «On Accounting»;
- CBR Regulation No. 454-П dd. 12/30/2014 «On Information Disclosure by Issuers of Securities»;
- CBR Letter No. 06-52/2463 dd. 4/10/2014 «On the Corporate Governance Code».

International Public Reporting Standards:

- International stakeholder relation standards series AA1000 (Institute of Social and Ethical Accountability);
- Integrated Reporting Standard of the International Integrated Reported Council (IIRC);
- Sustainable Development Reporting Standard of the Global Reporting Initiative (GRI);
- ISO 26000:2010 Social Responsibility Manual, etc.

ROSATOM's Regulatory Documents:

- ROSATOM's Harmonized Industrial Public Reporting Policy approved by Order of ROSATOM No. 1/1069-П dd. 11/11/2015;
- Harmonized Methodological Guidelines on Public Reporting of ROSATOM and Its Organizations approved by Order of ROSATOM No. 1/671-П dd. 7/18/2017

JSC Atomredmetzoloto's Regulatory Documents:

- JSC Atomredmetzoloto's Public Annual Reporting Standard

Scope:
GRI SRS Core

Priority Topic of the Report: Performance for Ten Years: New Prospects of Sustainable Development

STANDARDS AND REGULATORY REQUIREMENTS USED IN THE COURSE OF REPORT DRAFTING

Process of Drafting and Identifying the Contents of the Report

The Report was drafted in close cooperation with stakeholders.

In November 2017, remote dialog was held to discuss the concept of the Report.

On 24 January 2018, two dialogs were held to discuss the priority topic.

On 25 April 2018, public consultations were held to discuss the draft Report.

For details, see the Dialogs with Stakeholders during Report Drafting section.

Process of Identifying Materiality of Information

In accordance with the International Integrated Reporting Standard and Sustainable Development Manual GRI SRS, representatives of the Holding Company's stakeholders were surveyed in November 2017 to prioritize material topics.

Survey resulted into adjustment of material topics of the Holding Company's business for further disclosure thereof in the Report with some topics proclaimed immaterial (Suppliers, Labor Remuneration, Indentured Labor, Local Communities, Partner Relations, etc.); some topics

combined with others (Indentured and Child Labor, Marketing and Labeling, etc.); some topics clarified (Claims – Claims against Infringement of Human Rights); and new topics arising (Digitalization).

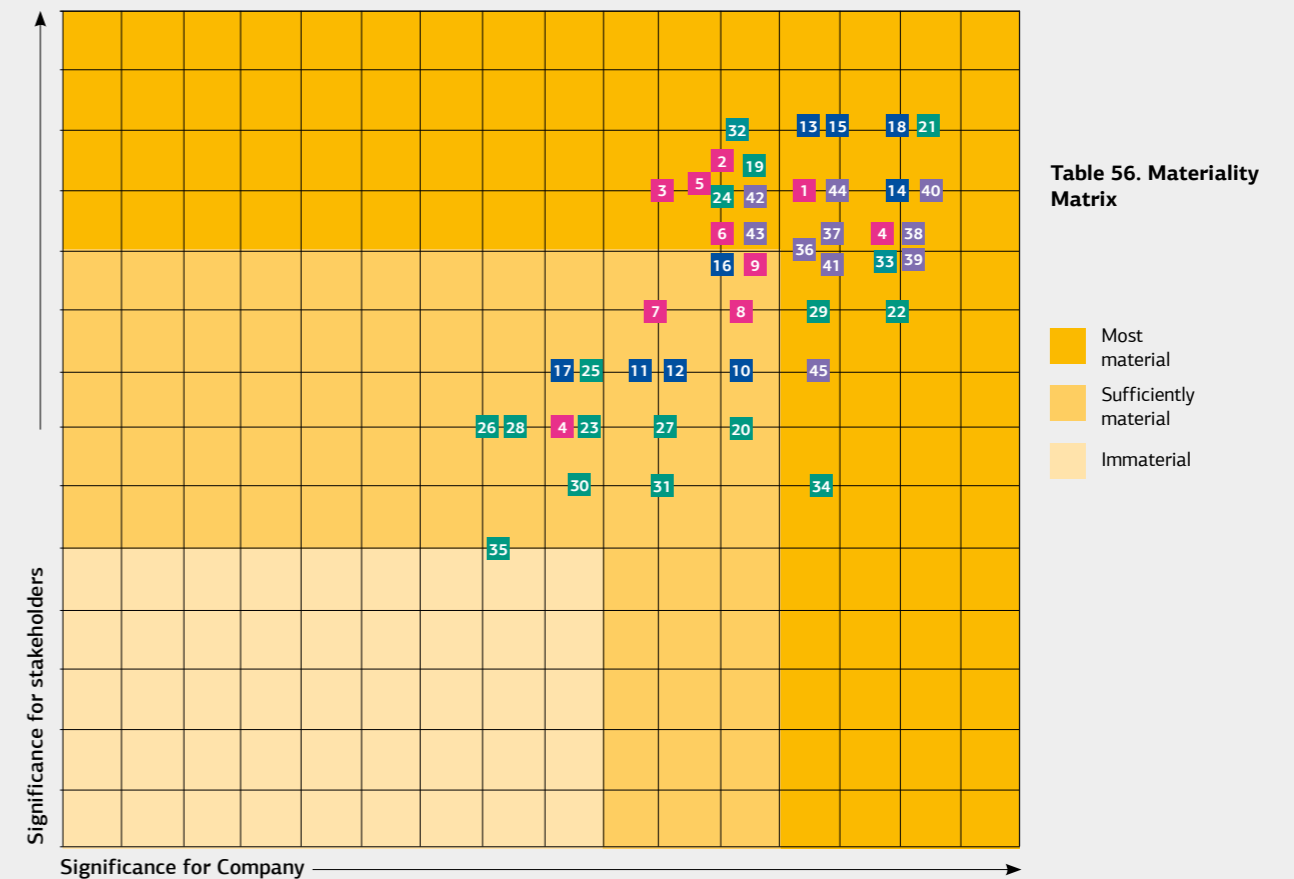


Table 56. Materiality Matrix

ECONOMY TOPICS

- 1 Financial performance
- 2 Market presence
- 3 Indirect economic effects
- 4 Procurement
- 5 Business stability
- 6 Innovations
- 7 Corporate governance
- 8 Diversification
- 9 Investments

ENVIRONMENTAL TOPICS

- 10 Materials
- 11 Power consumption
- 12 Water consumption
- 13 Emissions and wastes
- 14 Product safety
- 15 Environmental compliance
- 16 Environmental investments
- 17 Biodiversity
- 18 Emergency readiness

SOCIAL TOPICS

- Approaches to labor organization and good faith labor
- 19 Employment
- 20 Employee and management relations
- 21 Labor health and safety
- 22 Training and education
- 23 Equal opportunities
- 24 Social security
- 25 Claims
- Human rights
- 26 Non-discrimination
- 27 Freedom of association
- 28 Child and indentures labor
- 29 Safety
- 30 Right of indigenous peoples
- 31 Claims against human rightinfringement

Society

- 32 Influence on operation area
- Product liability
- 33 Consumer health and safety
- 34 Marketing and labeling
- 35 Consumer privacy
- Specific Topics
- 36 NFC Location
- 37 Global uranium markets
- 38 Development strategy
- 39 Value chain
- 40 Future forecast
- 41 Feedstock base development
- 42 Performance management
- 43 Risk management
- 44 Labor and industrial
- 45 Industry digitalization

There are no material changes to scopes of material topics compared with previous reports.

The performance indicators provided in this Report belong to the following perimeters:

- production figures are presented according to the data on assets: PJSC PIMCU, JSC Dalur,

JSC Khiagda, JSC RUSBURMASH and JSC VNIPIpromtehnologii;

- environmental performance indicators: PJSC PIMCU, JSC Dalur, JSC Khiagda;

- staff and labor safety performance indicators JSC Atomredmetzoloto, JSC Dalur, JSC Khiagda, JSC RUSBURMASH,

JSC VNIPIpromtehnologii and LLC ARMZ Service;

- financial performance indicator: for the reporting consolidation scope in accordance with RAS requirements.

Authentication of Information

The final version of the Report has been approved by the Director General of the Company and its Board of Directors.

Disclaimer Regarding Forecast

The Report contains forecast declarations regarding production, finance, economy and social indicators of the Company's further development. Implementation of our assumptions and intentions depends immediately on the political, economic, social, and regulatory situation. For this reason, the actual Company's performance may be different from the forecast.

VERIFICATION OF THE REPORT

- Financial Audit – Nexia Pacioli Group of Companies
- Inspection by the Internal Control and Audit Service
- Public Endorsement

Appendix 2. Table of GRI Disclosures

Element of Reporting	Page in the Report	Reporting Element	Page in the Report	Reporting Element	Page in the Report
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102-3	106	102-20	30	102-43	97
102-4	9	102-21	30	102-44	97
102-5	9	102-22	30	102-45	101
102-6	10	102-23	30	102-46	100
102-7	7	102-24	30	102-47	101
102-8	7	102-25	30	102-48	101
102-9	13	102-26	30	102-49	101
102-10	29	102-27	30	102-50	100
102-11	11	102-28	30	102-51	100
102-12	9	102-29	30	102-52	100
102-13	9	102-30	30	102-53	106
102-14	3	102-31	30	102-54	100
102-15	35	102-32	30	102-55	102
102-16	21	102-40	95		
GRI 102. Ethics and Good Faith					
102-16	21	102-17	39		
GRI 102. Remuneration and Incentives					
102-35	31	102-36	31		
GRI 103. Management Approaches					
103-1	100	103-2	100	103-3	100
GRI 201. Economic Performance					
201-1	7	201-3	86	201-4	91
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GRI 202. Market Presence					
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GRI 203. Indirect Economic Impacts					

203-1	92	203-2	92		
GRI 204. Procurement					
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GRI 205. Anticorruption Policy					
205-1	39	205-2	39		
GRI 301. Materials					
301-1	71				
GRI 302. Energy					
302-1	60	302-4	60		
GRI 303. Water					
303-1	72				
GRI 304. Biodiversity					
304-2	71	304-3	75		
GRI 305. Emissions					
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305-2	73	305-5	73	305-7	73
305-3	73				
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306-1	73	306-2	74	306-3	73
GRI 307. Environmental Compliance					
307-1	75				
GRI 401. Employment					
401-1	80				
GRI 402. Labor Management Relations					
402-1					
GRI 403. Occupational Health and Safety					
403-2	7, 32, 76	403-3	76	403-4	76
GRI 404. Training and Education					
404-1	84	404-2	83	404-3	83
GRI 405 Diversity and Equal Opportunities					
405-1	79	405-2	79		
GRI 406. Non-Discrimination					
406-1	89				
GRI 413. Local Communities					
413-1	93	413-2	89		
GRI 415. Publicity Policy					
415-1	-				
GRI 416. Consumer Health and Safety					
416-1	60	416-2	60		
GRI 417. Marketing and Labeling					
417-1	-	417-2	60	417-3	60
GRI 418. Customer Privacy					
418-1	60				
GRI 419. Socioeconomic Compliance					
419-1	60				

Appendix 3. Conclusion of the Internal Control Directorate



ATOMREDMETZOLOTO,
JOINT-STOCK COMPANY

Conclusion on Results of Internal Non-Financial Audit of Atomredmetzoloto, JSC's Annual Report 2017 Data

The internal non-financial audit of the drafting process of Atomredmetzoloto, JSC's public annual report 2017 (the Report) has been completed in furtherance of clause 9 of Attachment 2 to order of Atomredmetzoloto, JSC's Chief Executive Officer No. 003/316-M of 12/26/2017 On Organization of Work for Drafting Atomredmetzoloto, JSC's Annual Report for 2017.

The Report drafting process engaged the bulk of Atomredmetzoloto, JSC's core business units and employees of its subsidiaries. Information provided by them was assessed, discussed and further consolidated. Designated persons have conducted the dialog with stakeholders' representative regarding disclosure of the priority topic in the annual report as well as public consultations regarding the draft annual report.

Year 2017 is the jubilee year for ARMZ Uranium Holding celebrating its 10th anniversary and the Report has been supplemented with authentic historical references.

The Report provided reflects both general information on key events and 2017 Results and detailed information on priorities to which Atomredmetzoloto, JSC's management and staff pay special attention and which concentrate maximum resources:

- formulation of the Holding Company's strategy and priorities;
- improvement of management and production performance;
- social investments;
- protection of natural resources and biodiversity.

The information set forth in the Report reflects fully the main facts and achievements of the Mining Division in 2017 in all material respects.

The report allows informing stakeholder users of the existing systems and practices of business corporate governance, results achieved, short- and long-term plans.

Audit findings allow concluding that the public reporting process is efficient and that the public reporting procedure of Atomredmetzoloto, JSC is compliant with

Director, Internal Control

N.V. Sytnik

List of Abbreviations and Terms

COGS	Cost of Goods Sold
CPS	Central Production Site
CSP	Corporate Social Program
CSR	Corporate Social Responsibility
CTs	Critical Tasks
D&S	Design and Survey
EBITDA	Earnings Before Interest and Tax
EPCM	Engineering, Procurement, Construction, Management
ERP	Enterprise Resource Planning
FBU GKZ	Federal Budget Institution State Commission for Mineral Reserves
FIFR	Fatal Injury Frequency Rate
FS	Feasibility Study
GRI	Global Reporting Initiative
HMP	Hydro Metallurgical Plant
HPP	Heat Power Plant
IAEA	International Atomic Energy Agency
IDTB	Investment Decision Taking Body
IFRS	International Financial Reporting Standards
ISL	In-Situ Leaching
IT	Information Technology
KPI	Key Performance Indicator
LDR	Lost Days Rate
LSP	Local Sorption Plant
M&A	Mergers And Acquisitions
MRB	Mineral Resource Base
NEC	Nuclear Energy Complex
NFC	Nuclear Fuel Cycle
NPP	Nuclear Power Plant
NRNU Mephi	National Research Nuclear University Mephi
ODR	Occupational Disease Rate
OHL	Overhead Lines
PSEDA	Priority Social And Economic Development Area
RAS	Russian Account Standards
R&D	Research And Development
REM	Rare Earth Metals
RPS	Rosatom Production System
RRO	Repair And Restoration Operations
RW	Radioactive Wastes
SAP ERP HCM	System Analysis And Program Development Enterprise Resource Planning Human Capital Management
SBU	Standalone Business Unit
SCs	Subsidiary Companies
SCs	Social Costs
SDGs	Sustainable Development Goals
SVF	Screen Vibration Feeder
TPO	Pilot Production Operations
TTO	Pilot Technological Operations
USRS	Unified Harmonized Remuneration System

CONTACTS

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Name of the Registering Authority, Registration Number and Date	Moscow Registration Chamber, NO. 004.997 of 2/22/1995
OGRN	1027700043645
INN	7706016076
KPP	997550001/770901001
	http://www.armz.ru
Registrar Details	Registrar R.O.S.T., Joint-Stock Company Registrar Details: OGRN 1027739216757, INN 7726030449 Location: Moscow, 18/13 Stromynka Street Phone/Fax: +7 (495) 771-73-36.



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