

Strategy Overview

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The NIAEP strategy till 2017 was approved by State Corporation ROSATOM and ratified by an order of the NIAEP Directorate in 2010. In the beginning of 2012 the NIAEP strategy was considerably amended in connection with the NIAEP and ASE merger. In 2013 it is planned to elaborate NIAEP-ASE Integrated Company's strategy in the Russian and foreign markets till 2030. The Integrated Company's strategy is being elaborated in compliance with the State Corporation ROSATOM schedule and will be approved in 2013 according to the established corporate procedures of the Company and State Corporation ROSATOM.

Fig. 2.1. Strategic Initiatives of State Corporation ROSATOM in the Engineering Business



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Strategic initiatives of the Company define the following approach to business development:

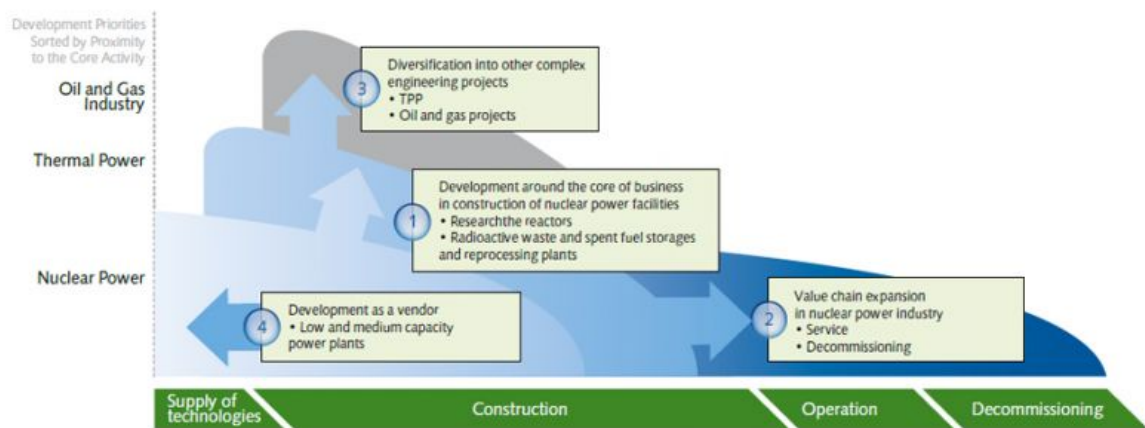
Development in the main segment of operation: super power low- and medium-powered NPP construction

Development of promising business segments which it is possible to enter on the basis of existing competencies: construction of facilities comparable to NPP with regard to complexity and scope⁹.

The Integrated Company's strategic initiatives with regard to development in the main segment of operation coincide with the strategic goals of State Corporation ROSATOM as follows: VVER Platform Global Expansion and Growth in Nuclear Power Generation in the Russian Federation (see Fig. 2.1).

Possible strategic development directions of the Integrated Company were outlined in 2012-2013 (see Fig. 2.2).

Fig. 2.2. NIAEP-ASE Integrated Company's Strategic Development Direction¹⁰



*Fig. 2.2. NIAEP-ASE Integrated Company's Strategic Development Direction*¹⁰

2012 Contribution to Strategy Implementation

In 2012 the Integrated Company performed activity aimed at implementation of the outlined strategic development directions.

1. Development around the core of business in construction of nuclear power industry facilities

NIAEP-ASE Integrated Company acts as a general contractor and general designer of the Vietnamese Center for Nuclear Science and Technology. We also conduct negotiations on establishment of similar center in the Republic of South Africa.

In the field of construction of storages and reprocessing plants for radioactive waste and spent fuel the Integrated Company carries out activities in the capacity of:

- General contractor for construction of radioactive waste and spent fuel storage facilities and radioactive waste reprocessing plants;
- Engineering and technology expert in back-end;
- Equipment manufacturer and construction and mounting expert in the field of radioactive waste and spent fuel.

The strategic goal in this direction consists in Company development as a general contractor for construction of radioactive waste and spent fuel handling facilities with own production base and competencies in designing.

Information on performance within this strategic direction is given in [Chapter 3.1. Development around the Core of Business in Construction of Nuclear Power Industry Facilities](#).

2. Value chain expansion in nuclear power industry

In 2012 the Integrated Company performed operations on turnkey NPP construction and decommissioning of nuclear power equipment.

In 2012 the Integrated Company rendered services at the Paks, Temelin, Bohunice, and Tianwan NPPs. The strategic goal within this direction consists in positioning of the Company as a general contractor for service operations and modernization and as an assets management consultant.

Information on implementation of this strategic direction is given in [Chapter 3.2. Value Chain](#)

3. Diversification into other complex engineering projects

The Integrated Company has extensive experience in implementation of turnkey projects in the field of thermal power. In 2012 the Company completed construction of the Nevinomysskaya TPP. The target vision in this direction is positioning of the Integrated Company in the capacity of a general contractor for TPP modernization and construction.

An important direction of the Integrated Company's strategic development consists in entering the market of oil and gas facilities construction. Currently, the Company considers the prospects of this market access. Taking into account the existing competencies, the Company may act in the capacity of a contractor with regard to some elements of work and thus participate in projects in cooperation with its partners.

Information on implementation of this strategic direction is given in [Chapter 3.3. Diversification into Other Complex Engineering Projects.](#)

4. Development as a vendor

The Integrated Company's activity is focused on construction of power plants. The Company is highly competent in turnkey NPP construction both in Russia, and abroad. In 2012 24 generating units abroad and 9 generating units in Russia were designed and constructed by the Company.

Information on implementation of this strategic direction is given in [Chapter 3.4. Development as a Vendor.](#)

⁸ It shall be noted that the Integrated Company's strategy has not been approved yet and an overview of the planned strategic vision of the Company is given in this Report.

⁹ Nuclear power facilities (including back-end), TPP, LNG plants, oil refinery plants, oil platforms, oil and gas pipelines, RLNG terminals.

¹⁰ The outlined directions of strategic development of the Integrated Company are not approved and final and they can be changed in the process of further work on the Integrated Company's Strategy elaboration.