

Social Policy

The NIAEP activity in the field of social and labor relations is based on the Labor Code of the Russian Federation, the Industry-Specific Agreement on Nuclear Energy, Industry and Science for 2012-2014 and documents regulating the NIAEP activity, in particular the NIAEP Charter, the Regulations on Internal Labor Order, the Code of Corporate Ethics and the Collective Agreement.

All social benefits and guarantees to the NIAEP employees are formalized in the Collective Agreement and put into practice in accordance with the unified social policy of State Corporation ROSATOM within current social programs. Social benefits are provided to regular employees.

In social partnership the NIAEP employees are represented by the Trade Union. A primary association of employees of the nuclear power engineering and industry is registered in the Company. The NIAEP administration complies with the conditions necessary for operation of the Trade Union and takes into account its opinion in cases stipulated by legislation. The Youth Board and the Council of Veterans actively operate in the Company.

The NIAEP obligations as an employer in the field of social guarantees and benefits to the employees are formalized in the Collective Agreement and Annexes setting forth specific sums and payment procedures. The provisions of the Agreement apply to all NIAEP employees independent of their membership in the Trade Union. Thus, 100% of employees are covered by social programs.

In December 2012, upon collective negotiations, a conference of employees was carried out to sum up the results of execution of the NIAEP Collective Agreement in 2010-2012 and to adopt the Agreement for 2013-2014. In the course of the conference the delegates unanimously acknowledged that administration's obligations on execution of Collective Agreement for 2010-2012 had been fulfilled. The Collective Agreement for 2013-2014 stipulates new types of one-time social benefits, monthly payments to employees being on maternity leave, benefits to employees in case of serious diseases of a child, increase in payments to veterans, and other benefits.

The Collective Agreement stipulates that the Agreement itself and all changes and amendments to it shall be brought to the notice of the employees within one month from the date of signing. Sharing of information is executed by means of allocation of the document's full text in the electronic network of the Company. In addition, regulatory acts of NIAEP reflecting all significant changes in the Company's activity shall also be uploaded to the internal electronic network on the date of signing.

The volume of monetary funds allocated by NIAEP for activities of social nature increases annually (see Fig. 7.3).

In 2012 the amount of social benefits per one employee was 19% higher compared to the same index achieved in 2011. In 2013 it is planned to further increase this value. A significant part of payments refers to material assistance to the employees.

The volume of financing of social programs according to directions over 2010-2012 is shown in

Figure 7.5.

In 2012 the most considerable increase was achieved in respect of expenses for social support of the employees. This is mainly considered by increase in number of the Company's staff.

In 2012 the program on assistance to the Company's employees in procurement of lodgings was updated and approved. Approval of the reviewed program made it possible to provide the employees with interest-free loans for initial installment for procurement of lodgings. In 2012 nearly 6 million rubles were allocated for execution of this program, and over 40 employees got reimbursed for payment of interests on mortgage loans. According to the results of application campaign, in 2012 the number of the program participants increased by 37 people, and the total majority is represented by the employees aged under 35.

A significant part of payments refer to material assistance to employees. In the reporting period, 660 material assistance payments were made in the total amount of 16 million rubles. All payments were made in accordance with the Provision on Rendering Material Assistance.

Fig. 7.3. Total Social Expenses of NIAEP, Ths. Rub.

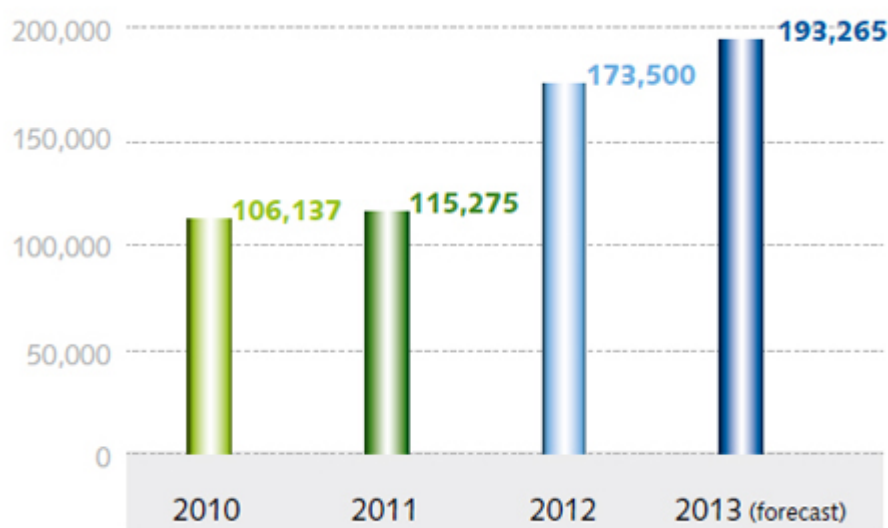


Fig. 7.4. Total Social Benefits per Employee, Ths. Rub.

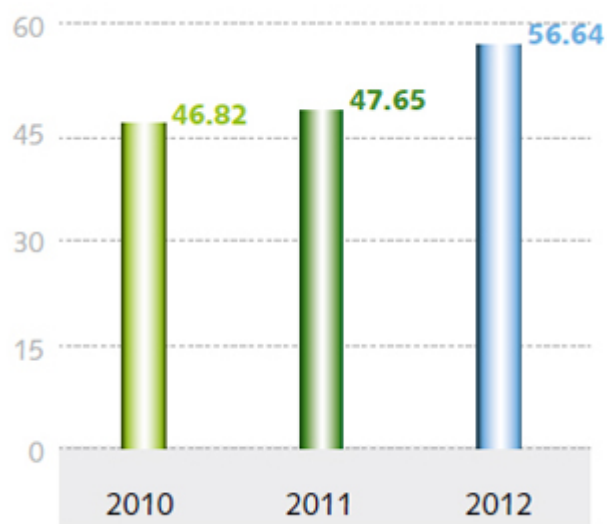


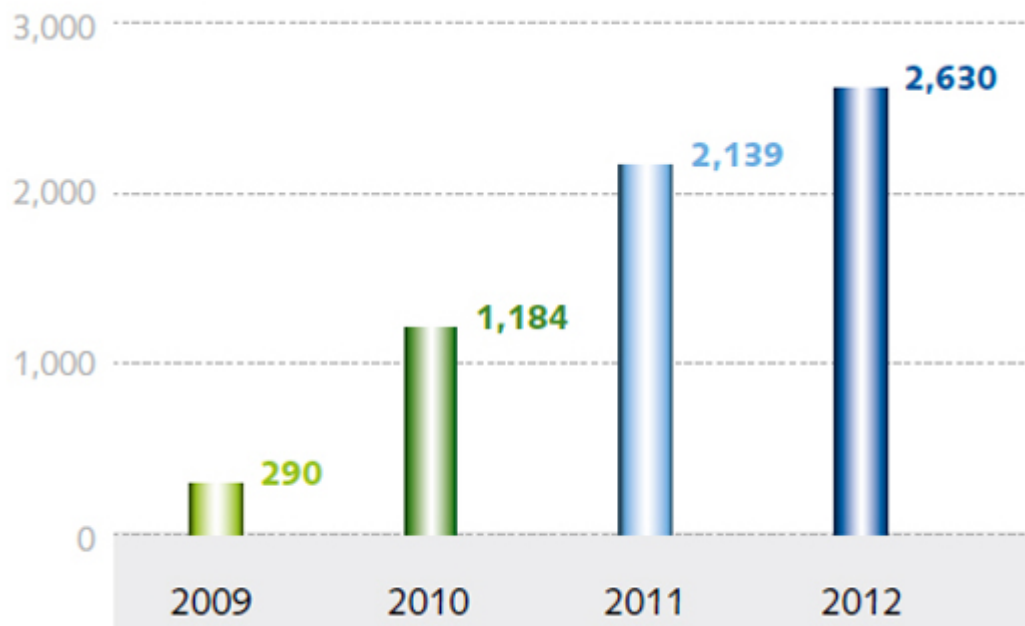
Fig. 7.5. Volume of Financing of Social Programs According to Directions (over 2010-2012)



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NIAEP made sequential contribution to execution of the state family, maternity and childhood support policy. Employees receive 25 thousand rubles in case of marriage and 55 thousand rubles in case of childbirth. In the reporting period the allowance to families with three and more children under 18 years old amounted to 36 thousand rubles per year for each child (see Fig. 7.6).

Fig. 7.6. NIAEP Social Benefits Paid to Large Families, Ths. Rub.

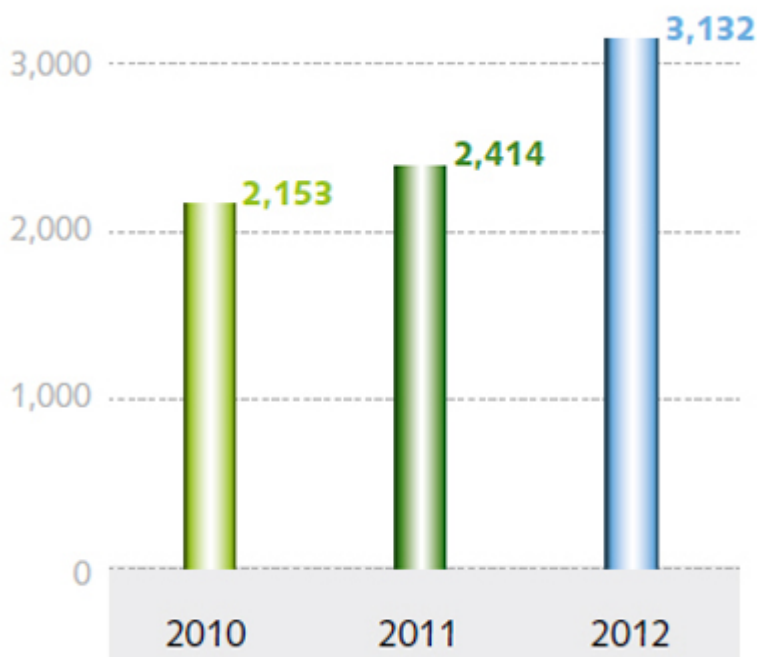


In the reporting period child-care leave in the Company was granted to women only. Only women as well were among the employees who returned after child-care leave within 2012.

NIAEP considers it important to encourage effective and creative labor of its employees. The amount of incentive payments pursuant to state or departmental rewards for special labor achievements and great personal contribution to execution of production plans amounted to 3.1 million rubles in the reporting period.

Within a number of years the Company concluded contracts with insurance medical companies on organization and payment of medical assistance to the employees. The number of VMI-insured employees increases yearly. The employees of the Central Office, branches and representation are insured according to unified programs. Funds allocated for voluntary medical insurance are also subject to year-to-year increase and amounted to approximately 25 million rubles in 2012 (see Fig. 7.7).

Fig. 7.7. Number of VMI-Insured Employees (over 2010-2012), People



Special attention is paid to prevention and early detection of serious diseases, including vascular heart diseases, flu, cancerous and other diseases. The employees are informed about standard requirements for conditions at working place, and necessary and obligatory personal and collective protection equipment for prevention of diseases. All employees of NIAEP have the opportunity of health inspection, timely detection and treatment of diseases. In connection with invariably high level of cancer morbidity among the population the annual preventive medical inspection was organized for the employees aged 45 and older, in order to detect cancerous diseases at early stages. The employees annually undergo vaccination against flu. The Collective Agreement guarantees material assistance allocated for treatment on a paid basis to an employee suffering from a serious disease.

A significant scope of work on arrangement of healthcare and recreation of the employees and members of their families is performed by the Company's administration in cooperation with the Trade Union. By tradition Corporate Healthcare Days are held with camping in the country, including Family events timed to the International Children Day. NIAEP organizes annual out-of-town trips for all employees within the frames of the Education Day. Healthcare corporate activities contribute to establishment of favorable social climate in the team.

Table 7.32. Number of Employees Who Took Child-Care Leave and Returned from Such Leave in 2012, and the Share of Employees Who Remained in the Company after Child-Care Leave, by Sex, as of December 31, 2012



Table 7.32. Number of Employees Who Took Child-Care Leave and Returned from Such Leave in 2012, and the Share of Employees Who Remained in the Company after Child-Care Leave, by Sex, as of December 31, 2012

Index	Women	Men
Number of employees who had an opportunity to take a child-care leave, people	89	0
Number of employees who took a child-care leave, people	89	0
Number of employees who returned from a child-care leave, people	29	0
Number of employees who remained in the Company after a child-care leave, people	29	0
Share of employees who remained in the Company after a child-care leave, %	100	0

In 2012 the Company's management carried out meetings with the employees' children (first graders and school graduates), as well as with veterans. A number of children creativity competitions took place. In cooperation with the Trade Union the Company arranges festive and entertainment programs within the frames of national-wide and professional holidays. Works by Nizhny Novgorod artists and photographers are regularly exhibited in the NIAEP building; exhibitions are constantly updated. The issue-related photo show was presented in the building within the frames of the Victory Day.

Over 600 employees of the Company are actively involved in sport activities. All people interested are welcome to sport groups, rented swimming pools and training halls for five-a-side, volleyball and other sports. In 2012 the NIAEP team took the first place in the 10th Friendship Festival held among the companies of State Corporation ROSATOM in Nizhny Novgorod, successfully performed at ROSATOM Cup 2012 and at the annual sports contest of the Chamber of Commerce and Industry the Nizhny Novgorod Region.

The Collective Agreement stipulates for social guarantees not only for currently employed people, but for NIAEP veterans as well. On retirement employees receive a one-time payment in the amount of two basic wages. NIAEP executes the program on social support of pensioners. NIAEP pensioners and veterans receive monthly social allowance in the amount of up to 1,150 rubles. In 2012 payments were made in the total amount of 2.5 million rubles to 220 people. In cooperation with the Council of Veterans NIAEP arranges leisure and entertainment activities for pensioners, attracts them to participation in significant events of NIAEP. Veterans employed in NIAEP are provided with medical care on the basis of VMI.

NIAEP also supports veterans of the Great Patriotic War. Annually, on the eve of the Victory Day meetings of the NIAEP management with veterans are held. Victory Day Payments to every veteran amount to 50 thousand rubles.

