

APPENDIX 3.

GRI Guidelines Indicators (G 3.1 and the Industry Protocol for Electric Power Industry), Reflected in the Report

No	Indicator Index	Indicator Description	Disclosure	Location in the Report	Comments
Report Element Characteristics					
1. Strategy and Analysis					
1	1.1.	A message from a person responsible for decision-making and occupying the top position in the hierarchy of the organization (for example the Chief Executive Officer, the Chairman of the Board of Directors, or an equivalent position), publishing the Report, stating the significance of sustainable development for the organization and its strategy.		Message from the Chairman of the Management Board	
2	1.2.	Description of key impacts, risks and opportunities.		Chapter 4	
2. Description of the Organization					
3	2.1.	Name of the organization preparing the Report		Paragraph 1.1	
4	2.2.	The main brands, products and/or services		Paragraph 1.1, 7.1	
5	2.3.	Functional structure of the organization, including main divisions, operation companies, subsidiaries and joint ventures		Paragraph. 1.2	
6	2.4.	Location of the company headquarters		Paragraph 1.1	
7	2.5.	The number of countries of the company operation and the names of the countries where the company's chief operations are located, or those significant from the point of view of sustainable development issues covered by the Report		Paragraph 1.1	
8	2.6.	Proprietary and organizational and legal form		Paragraph 1.1	
9	2.7.	The markets where the organization operates (including geographical scope, the sectors services and the categories of consumers and beneficiaries)		Paragraph 1.1	
10	2.8.	The organization's scale, including: — The number of employees; — The net sales volume (for private sector organizations) or net receipts (for state-owned organizations); — The total capitalization broken down by borrowed and own capital (for private sector organizations); — The quantitative characteristics of products or services		Paragraph 6.1 Paragraph 7.1	
11	2.9.	Essential changes in the scale, structure or proprietary form of the organization during the reporting period, including: — Location or the nature of the change in operations, including opening, closing or extending the operations; — Any changes in the structure of the equity and other actions pertaining to the formation, maintenance or changing the capital (for private sector organizations)		Paragraph 1.1, 1.2	
12	2.10.	Awards received during the reporting period		Paragraph 6.1	
3. Parameters of the Report					
13	3.1.	Reporting period (for example, a fiscal/calendar year) for the information reported	Full	Annotation	
14	3.2.	Publication date of the last of the preceding reports (if any)		Paragraph 5.3	
15	3.3.	Reporting cycle (annual, biannual, etc.)		Annotation	
16	3.4.	Contact information to enquire about the Report or its content		Contact information	
17	3.5.	The Report content determination process, including: — Determination of relevance; — Determination of the Report priority topics; — Identification of stakeholders considered to be the potential users of the Report		Annotation, Paragraph 10.1, 10.2, 10.3.	The Report content definition process is based on stakeholder dialogues (conducted in 2012-2013) The priority topic (Human Capital Management in Federal Grid Company) is conditioned by the focused attention of stakeholders to this particular aspect of the Company's activity in 2012. The potential users of the Report include the representatives of stakeholders participating in projects implemented jointly with the Company, as well as the Company business partners. The Company employees are among the key users of the Report.

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18	3.6.	Limits of the Report (for example, countries, divisions, subsidiaries, leased facilities, joint ventures and suppliers)		Annotation	
19	3.7.	Specify any limits in the scope of the Report		Annotation	
20	3.8.	The grounds for the inclusion to the Report of data on joint ventures, subsidiaries, leased facilities, the transfer of a part of functions to external contractors and other organizational units that can exert considerable influence on the comparability with the preceding reports, and/or other organizations			No grounds
21	3.9.	The methods of measurement of data and calculations, including assumptions and methods used to assess the indicators and other data included into the Report		Annotation	The Report mostly includes the data obtained in the result of direct measurement. In some cases (for example, to calculate the volume of green gas emissions) indirect calculation methods were used, based on the rated values of individual parameters
22	3.10.	A description of the meaning of any re-definitions of the information contained in preceding reports, and of the grounds for such re-definitions (for example, mergers or acquisitions, changes in the reporting cycles, the nature of business and the evaluation methods)			No re-definitions are available
23	3.11.	Essential changes as compared with preceding reporting cycles, pertaining to the scope, the limits, and the methods of measurement used in the Report			The limits of the Report are unchanged
24	3.12.	The table listing the position of standard elements in the Report		Appendices 3	
25	3.13.	The policy and practical approaches used for the external approval of the Report. If no approval report is attached to the Sustainable Development Report, describe the subject and grounds for any external approval obtained. Describe also the nature of relationships between the reporting organization and the approving authority		Chapter 10	
1.Governance, Liabilities and Interaction with Stakeholders					
26	4.1.	The organization's governance structure, including main committees included into the supreme governing body, responsible specific tasks, for example, for the development of strategy or for overall supervision over the operations of the organization		Paragraph 2.1	
27	4.2.	Specify, whether the chairman of the supreme governing body is simultaneously an executive manager of the company (if so, provide details on the role of this manager in the organization's governance and what are the reasons for such state of affairs)		Paragraph 2.1	
28	4.3.	Specify the number of non-executive members of the supreme governing body, and/or the members who do not belong to the executive management of the company (for organizations having a unitary Board of Directors)		Paragraph 2.1	
29	4.4.	The mechanisms used by the shareholders or the employees of the organization to direct the activities of the supreme governing body, or to give recommendations to it		Paragraph 2.1	
30	4.5.	A dependence between the payments to the members of the supreme governing body, the executive top managers and senior managers (including severance pay) and the organization's performance results (including social and environmental performance results)		Paragraph 2.2	
31	4.6.	The processes existing within the supreme governing body, used to prevent the conflict of interests		Paragraph 2.1	
32	4.7.	The processes used to determine the qualification and competencies of the members of the supreme governing body, required to direct the organization's strategy, including the economic, environmental and social performance results			In accordance with the Policy on HR and Remuneration Committee of the Board of Directors of Federal Grid Company, the competencies of the Committee include the development of suggestions to determine the essential conditions of agreements with the members of the Company's Board of Directors. Besides, the Committee determines the criteria for the selection of candidates to the members of the Company's Board of Directors, and performs a preliminary assessment of said candidates
33	4.8.	Internally developed mission, statement of values, corporate codes of conduct and principles essential from the point of view of economic, environmental and social performance results, and the degree of their practical implementation		Paragraph 1.3	
34	4.9.	The procedures used by the supreme governing body to supervise over the organization's assessment of its economic, environmental and social performance and to govern the above, including risks and opportunities, and the adherence or compliance with the international standards, the codes of corporate conduct and principles		Paragraph 2.1	

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35	4.10.	The processes of performance assessment of the supreme governing body in connection with the economic, environmental and social performance results of the organization		Chapter 2	
36	4.11.	Explanation of whether the organization applies the precautionary principle and how		Chapter 9	
37	4.12.	Externally developed voluntary economic, environmental and social charters, systems of principles or other initiatives joined or supported by the organization		Chapter 9	
38	4.13.	The membership in associations (industry associations, for example) and/or national and international organizations on the protection of interests, where the organization: <ul style="list-style-type: none"> — occupies a position in governing bodies; — participates in projects or committees; — provides material financing beyond the membership contributions; — considers its membership to be strategic 			Federal Grid Company is a member of RaEI Association. The activities of 16 research committees of SIGRE are part of Federal Grid Company's competency. The participation in the work of these committees contributes to the sharing of experience and information in the field of innovative developments pertaining to electric power equipment, its diagnostics and modernization and a number of other issues related to the functioning of the global electric power systems.
39	4.14.	A list of stakeholders involved in interaction with the organization		Chapter 10	
40	4.15.	The grounds for the identification and selection of stakeholders for the purpose of further interaction with them		Chapter 10	Decisions pertaining to the interaction with stakeholders are made by the Company management based on the fundamental concept of the Company responsibility (subparagraph 5.1) and the understanding of the Public Agenda in the field of sustainable development (subparagraph 5.2). The evolution of the approach to the interaction with stakeholders is presented in subsection 5.3 of this Report.
41	4.16.	Approaches to the interaction with stakeholders, including interaction periodicity by stakeholder types and groups		Chapter 10	
42	4.17.	The key topics and interests raised or identified in the process of interaction with the stakeholders and how the organization responded to said topics and interests, including the organization's reporting		Chapter 10, APPENDIX 5	
2. Information on Management Approach and Performance Indicators					
Economic Performance Indicators					
43	EC1	Created and distributed economic value, including income, operating costs, employee payments, donations and other community investments, undistributed profit, payment to capital suppliers and countries	Full	Paragraph 7.1	
44	EC3	Provision for the organization's liabilities related to pension plans and benefits set	Partial	Paragraph 6.4	
45	EC5	The range of entry level salary vs the preset minimal salary in the key regions of operation	Full	Paragraph 6.1	
46	EC6	The policy and practical approach to the purchasing from local suppliers and the share of such purchases in the significant regions of operation of the organization	Full	Paragraph 7.1	
47	EC7	Procedures for the hire of local personnel and the share of top managers hired locally in the significant regions of operation of the organization	Full	Paragraph 6.1	
48	EC8	The development and impact of investments in infrastructure and services rendered for the public in the first place, by way of natural, commercial or charitable participation	Partial	Chapter 7	
Environmental Performance Indicators					
49	EN2	The share of materials produced from processed or recycled wastes	Full	Paragraph 9.2	
50	EN5	The energy saved in the result of initiatives on reducing energy consumption and increasing energy efficiency	Full	Paragraph 9.3	
51	EN8	The quantity of water intake, broken down by sources	Full	Paragraph 9.2	
52	EN9	The water sources influenced by the organization's water intake	Full	Paragraph 9.2	

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53	EN10	The share and total volume of water used repeatedly and reused	Partial	Paragraph 9.2	
54	EN11	The location and the area of lands owned, leased, or managed by the organization, and located on natural territories and on territories with valuable biological diversity beyond them or adjoining such territories	Full	Appendices 6	
55	EN12	The description of material impacts of activities, products, and services on the biological diversity on the protected natural territories and on the territories with valuable biological diversity beyond them	Full	Paragraph 9.2	
56	EN13	The preserved or recovered habitats	Full	Paragraph 9.2	
57	EN14	The strategies, implemented actions and future plans pertaining to managing the impacts on biological diversity	Full	Paragraph 9.2	
58	EN15	The number of species entered into the International Union for Conservation of Nature Resources' Red List and into the national list of protected species, with habitats located on the territory affected by the organization's operation, broken down by the degree of threat to the existence of said species	Full	Paragraph 9.2	
59	EN16	Full, direct and indirect emissions of greenhouse gases, specifying their mass	Partial	Paragraph 9.2	
60	EN17	Other essential indirect emissions of greenhouse gases, specifying their masses	Full	Paragraph 9.2	
61	EN18	The initiatives on greenhouse gas emission reduction and their results	Partial	Paragraph 9.3	
62	EN19	The emission of ozone-destructive substances, specifying their masses	Full	Paragraph 9.2	
63	EN20	Emission of NOX, SOX and other heavy pollutants to the atmosphere, specifying their masses	Full	Paragraph 9.2	
64	EN21	The total amount of drainage, specifying the quality of waste waters and the receiving facility	Full	Paragraph 9.2	
65	EN22	The total amount of wastes broken down by type and handling method	Partial	Paragraph 9.2	
66	EN23	The total amount and the volume of essential spillages	Full	Paragraph 9.2	
67	EN24	The mass of transported, imported, exported or processed wastes which are considered hazardous pursuant to Appendices I, II, III and VIII to the Basel Convention, and the share of wastes transported between the countries	Full	Paragraph 9.2	
68	EN25	The ownership, size and biological diversity protection status of water bodies and related habitats, which are influenced by the organization's discharge and the surface water from the territory of the organization's facilities	Full	Paragraph 9.2	
69	EN26	The initiatives to mitigate the environmental impact of products and services and the resulting mitigation scale	Full	Paragraph 9.2	
70	EN27	The share of sold products and related packaging returned to the manufacturer for recycling, broken down by categories	Full	Paragraph 9.2	
71	EN28	The material fines in money terms and the total number of non-financial sanctions imposed for non-compliance with the environmental laws and the normative requirements	Full	Paragraph 9.1	
72	EN29	Any material environmental impact of transportation of products and other goods and materials used for the operations of the organization and for the transportation of the workforce	Full	Paragraph 9.2	
73	EN30	The total costs and investments in environmental protection, broken down by types	Full	Paragraph 9.2	
Labor Organization Approach and Decent Work					
74	LA1	The total number of employees broken down by employment type, labor contract and region	Full	Paragraph 6.1	
75	LA2	The total number of employees and employee turnover rate broken down by age, sex and region	Partial	Paragraph 6.1	
76	LA4	The share of employees covered by the collective bargaining agreements	Full	Paragraph 6.1	
77	LA7	The level of occupational traumatism and occupational deceases, the lost workdays ratio and the absence from work ratio, and the total number of work-related lethal incidents, broken down by regions	Partial	Paragraph 6.5	
78	LA10	The average number of training hours per an employee annually, broken down by employee category	Partial	Paragraph 6.3	
79	LA12	The share of employees periodically assessed in terms of their performance and career development	Partial	Paragraph 6.1	
80	LA13	The composition of the organization's governing bodies and personnel broken down by sex and age, specifying the minority representatives, and other diversity indicators	Full	Paragraph 6.1	

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Indicators Pertaining to Human Rights					
81	HR1	The percentage and the total number of material investment agreements, including the human rights provisions or assessed from the point of view of human rights	Full		The Company's investment agreements were not verified and assessed from the point of view of human rights
82	HR2	The share of significant suppliers and contractors assessed from the point of view of human rights, and actions taken	Full		Suppliers and contractors were not assessed from the point of view of human rights. Their share is 0%
83	HR6	The activity bearing a considerable risk of children's labor, and the actions taken to eliminate it	Full		Not applicable due to advanced level of production and strict requirements as to the occupational training of employees.
84	HR7	The activity bearing a considerable risk of forced or mandatory labor, and actions taken to eliminate the forced or mandatory labor	Full		Not applicable
Indicators Pertaining to the Interaction with the Public					
85	SO4	The actions taken to fight corruption	Full	Paragraph 8.3	
86	SO5	The position in relation to the state policy and the participation in the formation of the state policy and lobbying	Full	—	The Federal Grid Company participates in the formation of the state policy by preparing petitions to the government of the Russian Federation, the chambers of the Federal Assembly of the Russian Federation, and the federal executive authorities. The petitions contain suggestions to the drafts of normative regulations being considered by the federal authorities listed above. The Company representatives substantiate their suggestions, participating in work groups established by federal executive authorities, the committees and commissions established by the Federation Council and the State Parliament. These activities result in the preparation of drafts of federal laws, governmental decrees and normative regulations of the federal executive authorities. The drafts take into account the specific features inherent to the functioning and development of the electric power grid facilities. The drafts are prepared in accordance with law development plans of the legislative and executive authorities.
Product Responsibility Indicators					
87	PR5	The practices pertaining to the customer satisfaction, including the results of customer satisfaction degree surveys	Full	Paragraph 7.1	
Indicators of GRI Industry Protocol for Electric Power Industry					
The Organization's Area of Business					
88	EU3	The number of business accounts of household, industrial, institutional and commercial customers	Partial	Paragraph 1.1	
89	EU6	The governing method providing for the operational preparedness and the reliability of electric power supplies in short, middle and long term	Full	Appendix 1, Appendix 2	
90	EU8	Scientific research and developments intended to provide for the reliable supply of power and to contribute to sustainable development, plus related costs	Full	Appendix 2	
91	EU12	The losses of electric energy during transmission in terms of percentage of the total volume of the electric energy	Partial	Paragraph 1.1	
Environmental Section					
92	Aspect – Materials	Long-term strategy to gradually stop using the materials with high and low content of polychlorinated biphenyl	Full	Paragraph 9.3	
93	Aspect – Water	The drainage basins and reservoirs management methods to provide for the complex usage (for example, for irrigation, drinking water supply, environment protection, etc.). The long-term plans for the protection of water resources in order to provide for the needs of the organization. The description of criteria for controlling the maximal/minimal inflow of surface waters and the volume of ground waters, and the method to identify and maintain these indicators	Full	Paragraph 9.3	
94	Aspect – Biological Diversity	The methods of protection of greenery from blights and to control the greenery along the power transmission and distribution lines	Partial	Paragraph 9.2	

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95	Aspect - Emissions, liquid industrial wastes and production wastes	The management strategy and the methods of storage of different types of radioactive nuclear wastes	Full	Paragraph 9.2	
96	CommEN20	NOx, SOx and other essential emissions to the atmosphere per a MWh of the net volume of the electric energy produced. The examples of "other essential emissions to the atmosphere", include but are not limited to the emissions of mercury, coal dust, ash sediment ponds and traps and dust generated during the dewatering of a water body	Partial	Paragraph 9.2	
97	CommEN22	The total mass of wastes by type and method of removal of wastes, including PCB wastes Social Section		Paragraph 9.3	
98	EU14	The programs and processes providing for the availability of qualified workforce	Full	Paragraph 6.1	
99	EU16	The policy and requirements regarding the health and safety of employees and of the contracted and subcontracted employees Social Responsibility (Governance Methods)	Partial	Paragraph 6.5	
100	EU19	The participation of stakeholders in decision-making process, said decisions relating to the planning of development of the Unified (all-Russian) National Energy Grid	Partial	Paragraph 10.1	