

# COMMITTEES UNDER THE BOARD OF DIRECTORS

The Board of Directors of PJSC RusHydro has six committees:

- Strategy Committee;
- Audit Committee;
- Investment Committee;
- Nominations and Compensations Committee;
- Committee on Reliability, Energy Efficiency, and Innovation;
- Committee for Energy Development of the Far East.

**THE AUDIT COMMITTEE** functions for the purpose of assisting the Board of Directors in monitoring the financial and business activities of the Company. The key functions of the Committee are to control financial reporting, the functioning of the internal control system, risk management, corporate governance, the system of notification of fraudulent actions, as well as ensuring the independence and objectivity of internal audit and external audit.



Provisions on committees under the Board of Directors can be found on the Company's website <http://www.eng.rushydro.ru>

## 1st half of 2017

### Membership

Ivanov S.N. (Chairman of the Committee)  
Bystrov M.S.  
Pivovarov V.V.<sup>1</sup>

### Key issues considered by the Committee:

- Annual report
- Annual financial statements
- Compliance with insider information requirements
- Auditor's reports for the year 2016

- Conclusion of the Company's Audit Commission
- Opinion of the Company Auditor
- Candidate for the position of the Company's Auditor
- Regular reports of the Head of the Internal Audit Service of the Company
- Report on the implementation of the Action Plan for the implementation of the Comprehensive Anti-Corruption Programme of PJSC RusHydro
- Report on the functioning of the corporate internal control and management system taking into account the internal audit evaluation
- Results of evaluation of corporate governance practices with account of appraisal of the Internal Audit Commission

## 2nd half of 2017

### Membership

Ivanov S.N. (Chairman of the Committee)  
Bystrov M.S.  
Pivovarov V.V.<sup>1</sup>

### Key issues considered by the Committee:

- Compliance with the requirements on insider information
- Report on the corporate social responsibility and sustainable development of RusHydro Group for 2016
- Results of the on-site inspection by the Ministry of Energy of Russia
- Optimisation of the functions and structure of the Company's internal audit
- The Company's Insurance Coverage Programme
- Anticorruption policy of the Company
- Report on compliance with the information policy of the Company
- The programme for ensuring and improving the quality of internal audit
- Schedule of control activities of the Internal Audit Service for 2018

The Chairman of the Audit Committee is an independent director and has sufficient experience and knowledge to implement the tasks assigned to the committee.

 For information on internal audit, see section Audit and control

 All issues considered by the Audit Committee in 2017, except those considered confidential, are listed in Appendix 5.

<sup>1</sup> Has experience and knowledge in the preparation, analysis, evaluation, and audit of accounting (financial) reporting.

### NOMINATIONS AND REMUNERATION COMMITTEE

functions for the purposes of developing recommendations on the formation of a professional membership of the Company's management bodies and effective and transparent practice of their remuneration. The main task of the Committee is preliminary analysis and development of recommendations to the Board of Directors on issues within the competence of the Board of Directors.

### 1st half of 2017

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#### Membership

Pivovarov V.V. (Chairman of the Committee)  
Bystrov M.S.  
Ivanov S.N.

#### Key issues considered by the Committee:

- Typical collective agreement of the branch of PJSC RusHydro for 2017-2019
- Regulations on the Corporate Secretary of PJSC RusHydro, a new version
- Consideration of the consolidated Business Plan (including the consolidated Investment Programme) of RusHydro Group for 2017-2021, and approval of the Target values of the annual key performance indicators of the members of the Management Board of PJSC RusHydro for 2017 and the Target values of the key performance indicators of the long-term motivation programme of PJSC RusHydro for the first cycle for 2017-2019
- Approval of contracts which constitute an interested party transaction
- Consideration of the progress report on the implementation of the Plan of measures (the list of measures) for the implementation of professional standards in the activities of the Company
- Approval of the List of annual key performance indicators of the members of the Management Board of PJSC RusHydro for 2017, the target values of the annual key performance indicators of the members of the Management Board of PJSC RusHydro for 2017 (including the methodology for calculating and evaluating key performance indicators of the Management Board members of PJSC RusHydro)
- Approval of the Provision on the payment of remunerations and compensations to members of the Board of Directors of the Company, a new version
- Compliance of candidates of the Board of Directors of PJSC RusHydro with independence criteria
- Determination of the number of members of the Management Board of PJSC RusHydro

### 2nd half of 2017

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#### Membership

Pivovarov V.V. (Chairman of the Committee)  
Bystrov M.S.  
Ivanov S.N.

#### Key issues considered by the Committee:

- Progress in the implementation of the Plan of a set of measures to introduce professional standards in the activities of the Company
- Report of the Committee
- Election of the Company's senior independent director
- KPI of the members of the Management Board for 2017
- Typical collective agreement of the branch for 2017-2019.

The Chairman of the Nominations and Remuneration Committee is an independent director and has sufficient experience and knowledge to implement the tasks assigned to the committee.

 Information on remuneration to management bodies, control bodies, and the auditor is provided in section with the relevant name.

 Issues considered in 2017 by the Nominations and Remuneration Committee, except those recognised as confidential, are listed in Appendix 5.

**THE STRATEGY COMMITTEE** functions to ensure effective work of the Board of Directors on strategic development issues of RusHydro Group.

## 1st half of 2017

### Membership

Members of the Board of Directors:

Grachev P.S.  
Podguzov N.R.  
Rogalev N.D.  
Shishin S.V.

Shishkin A.N.  
Shulginov N.G.

Members

of the Executive Bodies:  
Rizhinashvili G.I.

Members

of the Committee:

Zadvornov I.A. (Chairman of the Committee)

Mamin V.V.

Nikonov V.V.

Olkhovich E.A.

Rusakov M.V.

Snikkars P.N.

### Key issues considered by the Committee:

- Taishet Aluminum Smelter Construction Project
- Amendments to the Long-term Development Programme of RusHydro Group.
- Report of the Committee

## 2nd half of 2017

### Membership

Members of the Board of Directors:

Grachev P.S.  
Pivovarov V.V.  
Shishin S.V.

Shulginov N.G.  
Rogalev N.D.

Members

of the Executive Bodies:  
Rizhinashvili G.I.

Members of the Committee:

Bogashov A.E.

Gabov A.V.

Zadvornov I.A. (Chairman of the Committee)

Livshits B.A.

Nikonov V.V.

Snikkars P.N.

Stolyarov E.M.

### Key issues considered by the Committee:

- Approval of RusHydro Group's Value Growth Plan for the period up to 2021
- Progress in the implementation of the Long-term Development Programme of RusHydro Group for the first half of 2017
- Status of execution of individual orders of the President of the Russian Federation and the Government of the Russian Federation on refinancing loan debts of the group of JSC RAO ES East
- Joining the Society to the UN Global Compact and preparing to join the Association "National Network of the Global Compact"
- On acquisition by the Company of additional ordinary shares of JSC "Holding Company of BoHPP"
- Report of the Committee



Detailed information about the Strategy is given in section RusHydro Group Strategy.



Information on the members of the Strategy Committee and the issues considered by the Committee in 2017, except those recognised as confidential, are listed in Appendix 5.

**THE COMMITTEE ON INVESTMENTS** functions for the purpose of preliminary consideration of new investment projects and investment programmes, as well as the improvement and development of the Company's investment policy.

## 1st half of 2017

### Membership

Members of the Board of Directors:

Bystrov M.S.

(Chairman

of the Committee)

Pivovarov V.V.

Avetisyan A.D.

Chekunkov A.O.

Rogalev N.D.

Members of the Executive Bodies:

Khmarin V.V.

Kirov S.A.

Rizhinashvili G.I.

Members of the Committee:

Domnich V.A.

Zhuravlev S.I.

Milyutin D.V.

Podgorny A.Yu.

Skulkin V.S.

Tikhonova M.G.

### Key issues considered by the Committee:

- Approval of the Company's business plan for 2017-2021, including the investment programme of PJSC RusHydro for 2017, an action plan for optimising costs based on the results of an external independent audit of the costs of PJSC RusHydro. Regulation on the business planning system
- Implementation of the Company's Business Plan for 2016 (including reports on the implementation of the Investment Programme (including the Programme for the comprehensive modernisation of generating facilities), the Annual Comprehensive Programme of Purchases for 2016, and the Progress Report on the implementation of the package of measures to reduce operating expenses for 2016)
- Implementation of KPI for PJSC RusHydro for Q2 2016, Q3 2016, Q4 2016 and 2016
- Report of the Committee

## 2nd half of 2017

### Membership

Members of the Board of Directors:

Bystrov M.S.

(Chairman

of the Committee)

Pivovarov V.V.

Ivanov S.N.

Chekunkov A.O.

Rogalev N.D.

Members of the Executive Bodies:

Kazachenkov A.V.

Kirov S.A.

Khmarin V.V.

Members

of the Committee:

Zhuravlev S.I.

Milyutin D.V.

Gabov A.V.

Snikkars P.N.

### Key issues considered by the Committee:

- Approval of the Business Plan for 2018-2022
- Investment programme of PJSC RusHydro for 2017
- Approval of the adjusted Business Plan for 2018-2022
- Investment programme of PJSC RusHydro for 2018
- Report of the Committee

 For detailed information on investments, see section Investment activity.

 Information on the members of the Investments Committee and the issues considered by the Committee in 2017 are listed in Appendix 5.

### THE COMMITTEE FOR RELIABILITY, ENERGY

**EFFICIENCY AND INNOVATION** functions to ensure the efficient work of the Board of Directors on issues of the Company's technical policy, the reliable and safe operation of the Company's hydrotechnical facilities, energy conservation policies, innovation policy, environmental policy and other issues within the competence of the Committee.

## 1st half of 2017

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### Membership

Members of the Board of Directors:

Rogalev N.D.  
(Chairman of the Committee)  
Chekunkov A.O.  
Shishkin A.N.  
Kravchenko V.M.

Members of the Executive

Bodies:  
Bogush B.B.  
Rizhinashvili G.I.  
Frolov K.E.  
Karpukhin N.I.  
Tolstoguzov S.N.

Members of the Committee:

Vikhansky A.E.  
Vishnevsky Yu.M.  
Fedorov M.P.  
Gromov R.E.

## 2nd half of 2017

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### Membership

Members of the Board of Directors:

Rogalev N.D.  
(Chairman of the Committee)  
Chekunkov A.O.  
Kravchenko V.M.

Members of the Executive

Bodies:  
Frolov K.E.  
Karpukhin N.I.  
Bogush B.B.  
Rizhinashvili G.I.  
Tolstoguzov S.N.


Members of the Committee:

Belchenko E.V.  
Vishnevsky Yu.M.  
Fedorov M.P.  
Gromov R.E.

### Key issues considered by the Committee:

- Innovative Development Programme of RusHydro Group for 2016-2020, with a prospect up to 2025
- Improving the quality of preparation and implementation of the Innovative Development Programme of RusHydro Group for 2016-2020, with the possibility of prolonging it till 2025
- Measures to improve reliability conducted at power facilities of RusHydro Group
- Report of the Committee

 Information on innovation activities is given in section Innovation Development.

 Information on the members of the Committee on Reliability, Energy Efficiency, and Innovation and the issues considered by the Committee in 2017 are listed in Appendix 5.

### THE COMMITTEE FOR THE DEVELOPMENT OF ENERGY

**IN THE FAR EAST** operates to ensure the effective work of the Board of Directors in the development of the power industry of the Far Eastern Federal District in the area of responsibility of the Company and its controlled companies.

## 1st half of 2017

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### Membership

Members of the Board of Directors:

Trutnev Yu.P.  
(Chairman of the Committee)  
Chekunkov A.O.  
Grachev P.S.  
Kravchenko V.M.

Members of the Executive

Bodies:  
Kazachenkov A.V.  
Tolstoguzov S.N.

Members of the Committee:

Zadvornov I.A.  
Kachaev S.V.  
Molsky A.V.  
Nikonov V.V.  
Olkhovich E.A.  
Pilenieks D.V.  
Tupikin V.V.

## 2nd half of 2017

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### Membership

Members of the Board of Directors:

Trutnev Yu.P.  
(Chairman of the Committee)  
Chekunkov A.O.  
Grachev P.S.  
Kravchenko V.M.

Members of the Executive

Bodies:  
Kazachenkov A.V.  
Tolstoguzov S.N.

Members of the Committee:

Zadvornov I.A.  
Kachaev S.V.  
Konstantinov D.S.  
Molsky A.V.  
Pilenieks D.V.  
Kolesnikov M.A.  
Tupikin V.V.

**Key issues considered by the Committee:**

- RES programme in the Far East
- Status of construction of priority projects in the Far East
- Debt financing of the RAO ES Subgroup



Information on the members of the Committee for the Development of Energy in the Far East and the issues considered by the Committee in 2017 are listed in Appendix 5.

## Corporate Secretary

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**KOVALEVA**  
Natalya

**Was born in 1972**

In 1996 she graduated from the Irkutsk State University, with a major in Law, qualification - a lawyer.

By the decision of the Board of Directors dated November 11, 2016 she was appointed Corporate Secretary of the Company (Minutes No. 243 of November 14, 2016).

Currently, she holds the position of deputy director of the Corporate Governance and Assets Management Department, a corporate secretary whose main duties include participation in organising the preparation and holding of General Meetings of Shareholders and ensuring the work of the Board of Directors and its Committees, as well as ensuring the interaction of the Company with its shareholders and participation in the prevention of corporate conflicts.

Also, as of December 31, 2017, she was a member of the Board of Directors in the following companies:

- Blagoveshchenskaya CHPP JSC;
- CJSC Boguchansky Aluminum Smelter;
- PJSC DEK;
- JSC Malaya Dmitrovka;
- OJSC Sakhalin Municipal Company;
- LLC SNRG;
- Chuvash Energy Retail Company JSC.

Until 2016, she held the position of an advisor to the First Deputy CEO of the Company.

From 2010 to 2015 she worked as the Director of the Corporate Management Department of PJSC MOESK.

Has no shares in the Company (including indirectly). In the reporting year, she made no transactions with the shares of the Company.

The Company and the Group companies did not issue loans to Kovaleva N.G.

In 2017 there was no conflict of interest.