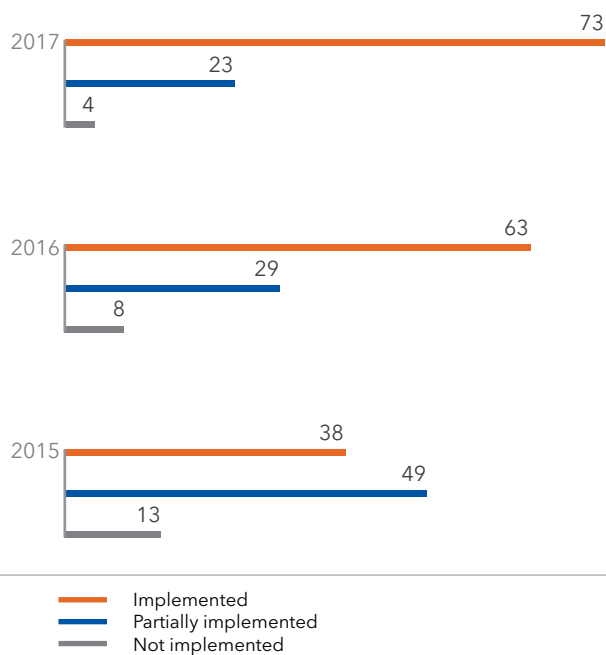


Implementation of the Code of Corporate Governance, %



As a result of the gradual introduction of the Code, the share of principles fully observed in PJSC RusHydro increased: 38% in 2015, 63% in 2016 and 73% in 2017.

MANAGEMENT OF CONTROLLED COMPANIES

PJSC RusHydro (including indirectly through controlled companies) participates in the authorised capital of companies that are engaged in production and sales of electricity and heat, design, construction, maintenance, technical rehabilitation and modernisation of power facilities, as well as other activities.

The Company's interaction with the subsidiaries helps implement the strategy, ensuring stable economic development and investment attractiveness, as well as protecting the rights and interests of shareholders of both the Company itself and its controlled companies.

The Company manages controlled companies through its representatives at general meetings of shareholders / participants, on boards of directors and in controlled companies control bodies in accordance with the Charter and the Regulations on the formation of instructions to rep-

resentatives of PJSC RusHydro on issues on the agenda of meetings of management bodies of PJSC RusHydro controlled companies.

Determination of the position of the Company (its representatives in the management bodies of subsidiaries) on the most significant issues related to the activities of its subsidiaries (reorganisation, liquidation, change of the authorised capital, approval of major transactions, and participation of subsidiaries in other organisations) falls within the competence of the Board of Directors. Determination of the position on other significant issues related to the activities of subsidiaries (on the approval (adjustment) of KPIs, on transactions with shares (shares), etc.), and decisions on the competence of the supreme management bodies of subsidiaries, 100% of the authorised capital of which belongs to the Company to the competence of the Management Board.