

# CONTRIBUTIONS TO THE DEVELOPMENT OF REGIONS OF PRESENCE

RusHydro participates in solving problems of local employment, budget provision, construction and financing of social infrastructure facilities, urban improvement, education and healthcare support, development of culture and sports, care for veterans and disabled people, technical measures to reduce the impact on the environment, and assistance to victims of natural disasters or other disasters.

The salary of the employees of RusHydro Group is higher than the average for the regions of presence, which speaks of RusHydro's competitiveness and reliability as an employer. [103-2], [103-3]

## Number of jobs created and Statutory Minimum Wage Index [202-1]

Number of jobs created, units	Average salary of starting-position employees of RusHydro Group's companies, RUB	Statutory minimum wage in the regions of operation, RUB	Average ratio of the minimum wage to the Statutory Minimum Wage Index
1,311	45,037	12,607	3.8

## Tax payments

RusHydro Group is one of the main taxpayers in the regions in which it operates.

### Taxes paid to the budget at different levels, RUB mn<sup>1</sup>

Budgets	PJSC RusHydro and controlled companies except for the RAO ES East Subgroup			RAO ES East Subgroup			RusHydro Group		
	2015	2016	2017	2015	2016	2017	2015	2016	2017
Federal Including:	12,579.5	19,338.2	24,160.8	16,464.2	18,922.5	18,678.3	29,043.7	38,260.6	42,839.2
Insurance contributions	4,251.9	4,637.5	4,857.7	9,904.7	11,685.5	11,569.1	14,156.6	16,323.0	16,426.8
Regional	18,275.1	24,004.9	26,353.9	7,198.0	9,453.4	10,359.3	25,473.1	33,458.3	36,713.2
Local	465.7	457.6	454.0	298.3	379.6	370.7	764.0	837.2	821.7
<b>Total</b>	<b>31,320.2</b>	<b>43,800.6</b>	<b>50,965.8</b>	<b>23,960.5</b>	<b>28,755.4</b>	<b>29,408.3</b>	<b>55,280.7</b>	<b>72,566.0</b>	<b>80,374.1</b>



## Charity programmes

PJSC RusHydro carries out charitable activities guided by the Charity and Sponsorship Policy of the Company (approved by the resolution of the Board of Directors, minutes of 01.06.2016 No. 237).

The main goal of the charitable activity of PJSC RusHydro is to create conditions and opportunities for the sustainable development of the regions where the Group operates, to create favorable social environment and to promote the growth of Russia's spiritual, scientific, technical and intellectual potential. [203-1] Among the priorities are:

- rendering assistance to categories of citizens in need, disabled people, veterans;
- supporting children's organisations and institutions;

<sup>1</sup> When generating data in the table for 2017, the distribution between the federal and regional budgets is based on the fact that taxes are formed depending on the type of the budget (personal income tax, water tax, mineral extraction tax, payment for the use of water facilities, payment for negative impact on the environment).

## Results of Activities

- assisting medical institutions, healthcare organisations;
- supporting projects in the field of culture, education, science, sports;
- assisting the preservation and restoration of historical and architectural monuments of Russia;
- supporting the conduct of environmental activities;
- assisting the socio-economic development of the regions where the Group operates.

PJSC RusHydro annually sets up an annual Charity and Sponsorship Programme, which is approved by the Board of Directors. In 2017, the total amount of funds for the implementation of the charitable programme amounted to 1,644.1 million rubles. (The charity and sponsorship programme was approved by the Board of Directors (minutes of February 21, 2017 No. 248, April 4, 2017 No. 249, June 22, 2017 No. 254, August 11, 2017 No. 255, October 30, 2017 No. 259, February 6, 2018 No. 265). The funds were used to finance and implement charitable and socially significant projects and programmes in the regions of RusHydro's presence.

With the support of PJSC RusHydro, within the framework of the state programme for the development of territories for promoting social and economic development in the Far East in 2017, more than ten large-scale infrastructure projects were completed: the construction of bridges, housing, agriculture facilities and industrial sites.

In the reporting year, PJSC RusHydro continued to implement the long-term comprehensive charitable programme Clean Energy, whose main task is to create conditions for social adaptation, training and early career guidance for children and adolescents in the regions where RusHydro is present. The programme also implements social, humanitarian, educational programmes, actions and projects in the field of ecology. Together with the reserves, RusHydro organizes ecological tourist routes, equips ecological trails, landscapes, supports the biological diversity and the natural habitat of animals and plants.

### Main charity projects in 2017

Support areas	Projects
Assistance to children's institutions and organisations	28 children homes and boarding schools, 6 rehabilitation social and medical centers, dozens of general education and music schools, and creative groups received material assistance. The funds are directed to the development of the amenities of the children organisations, assistance in arranging holidays, holding educational events
Development of children sports	RusHydro provides financial assistance to sports clubs and schools in such sports as football, hockey, swimming, rowing, tennis, sailing, martial arts. The "Clean Energy" programme includes projects related to fitting sports halls with the necessary equipment, repair and improvement of sports grounds, organisation of competitions for children and youth
Support for the development of Russian sports	In 2017, RusHydro continued to provide financial support to the Russian Rowing Slalom Federation, the Russian Martial Arts Union, the Russian Judo Federation and other sports organisations
#TogetherBrighter (#Вместе Ярче)	All branches of the Company participated in the All-Russian Festival of Energy Saving #Together Brighter, the main goal of which is popularisation among citizens of culture of careful attitude to nature and demonstration of modern energy-efficient technologies. Special attention is paid to activities for children and youth: excursions to hydroelectric power stations, lessons of ecology and thrifty attitude to energy resources, contests and quizzes are held within the framework of the festival
Ecological paths	"Ecological paths" is a project to organize new tourist routes together with the reserves and to improve the recreation areas. The project helps preserve the biological diversity and natural environment of various species of animals and plants, forms the ecological culture of adults and children. In 15 regions of the Company's presence, 22 ecological routes have been created, including 6 new routes in 2017: in the mountains of Karachaevo-Cherkessia and on the Strizhament mountain of the Stavropol Region, in the Khvalynsky National Parks of the Saratov Region and the Samara Luke, in the Zeya Natural Park reserve
Cleaning the banks of reservoirs and rivers	The traditional action on cleaning the shores of reservoirs and rivers from debris "Oberegai" expanded its geography: volunteers from the Far East joined it. In total, in 2017, more than 2,800 volunteers and RusHydro employees took part in 36 activities
Ecological education	During the school holidays in the reserves and nature reserves there are ecological sessions and field schools which RusHydro provides financial support to

Support areas	Projects
Preservation and enhancement of biodiversity	In 2017, 5 charitable environmental campaigns were conducted to stock rivers and reservoirs with valuable fish species. For more details, see "Restoring fish resources activities". RusHydro provided financial support to projects to preserve the Amur tiger population, implemented by the Amur Tiger Center, and reintroduction of persian leopard in the Caucasus region
Publishing of children books	The cooperation with the Foundation for Promotion of Children Literature and Reading Culture "HOUSE OF CHILDREN BOOK" continued in the implementation of the project to create an updated version of the scientific and artistic almanac for children and adolescents "I want to know everything". The first updated collection was published in 2015, the second - in 2017. More than 800 Russian libraries have received copies of this unique edition for free. A vibrant application that talks about science and technology "I want to know everything - 2015" now is available in the App Store and Google Play
Assistance to medical institutions	Assistance was provided to medical institutions within the framework of the activity "Born by Energy", the main goal of which is to equip maternity hospitals, perinatal centers and maternity hospitals in the cities where the Company is present with expensive diagnostic and rehabilitation equipment
Assistance to specialised HELs	<p>Provided financial support to:</p> <ul style="list-style-type: none"> <li>■ Moscow State University of Civil Engineering;</li> <li>■ Moscow Power Engineering Institute and its branch in Volzhsky;</li> <li>■ Peter the Great Polytechnic University of St. Petersburg;</li> <li>■ Sayano-Shushensky branch of the Siberian Federal University;</li> <li>■ M.I. Platov South-Russian State Polytechnic University.</li> </ul> <p>The assistance helps ensure the work of the "RES" research and educational center in St. Petersburg Polytechnic University, the provision of students of the Moscow State University of Civil Engineering with a visit to the Volga Hydroelectric Power Station. Furthermore, this programme is used for the reconstruction and renovation of the amenities, including laboratory equipment. Other universities were also included in the programme</p>
Competition "Energy of Development"	For the students and post-graduate students of technical universities, the "Energy of Development" competition was held for the eighth time, the main goal of which is to create conditions for identifying and developing the abilities of young people in the field of hydropower and assisting them in obtaining specialised education. A number of winners of the contest are already working in the Company
Participation in the projects of the Russian Geographical Society	RusHydro took part in the establishment of the grant fund of the Russian Geographical Society, in financing the publishing activities and the organisation of ecological and geographical expeditions
Cooperation with charitable foundations	<p>Financial support was provided to the "Vera" Hospice Care Foundation, the Fund for Assistance to Children with cerebral palsy "Step together", "Center for Humanitarian Programmes" NGO for disabled people.</p> <p>Charitable assistance was provided to the Bargary Renaissance Foundation of the Republic of Sakha (Yakutia) for the implementation of events dedicated to the 385th anniversary of Yakutia's entry into the Russian state and the foundation of the city of Yakutsk</p>

Controlled companies of PJSC RusHydro also take an active part in the economic and social life of their regions. PJSC Boguchanskaya HPP<sup>1</sup> annually implements significant charitable projects. They participate in the implementation of charity projects of PJSC Kolymenergo, JSC NIIES, JSC Montazhenergo and CJSC MEK.

On the territory of the Far Eastern Federal District, social projects important for the region and residents are supported by PJSC DEK, JSC DRSK, PJSC Yakutskenergo, PJSC Magadanenergo, JSC Sakhaenergo, JSC Energotrassnab, JSC Teploenergосervice, JSC Yakutsk Energy Repair Company, JSC SENK, JSC Geoterm. In 2017, controlled companies of PJSC RusHydro donated approximately 130 million rubles for charitable purposes in addition to the funds of the Charitable and Sponsorship Programme of PJSC RusHydro.

## Volunteer Movement

PJSC RusHydro develops corporate volunteering, supporting individual participation of employees in various social projects. In 2017, the Company conducted blood donor days, charity fairs, and "oBEREGAi" actions to clean up the banks of reservoirs and rivers.

In December, the Moscow office of the company held a traditional charity fair with the participation of 11 charitable organisations that presented hand-made souvenirs and original handicrafts made by the trustees of these funds or made according to their drawings, as well as souvenirs made by artists and other interested people. Within the framework of the fair, about 350 thousand rubles was raised, which was allocated for the treatment, rehabilitation, training, and development of trusts of charitable foundations.

<sup>1</sup> PJSC Boguchanskaya HPP in joint ownership with UC RUSAL.