



# Plans for the development of the personnel management system for 2018

In 2018, we will continue introducing professional standards in the development and implementation of supplementary education programmes, professional accreditation of additional professional education programmes based on methodology of the Council for Professional Qualifications in the Electric Power Industry, and on formation of the concept of creating a Qualification Assessment Center on the basis of one of PJSC RusHydro's subsidiaries.

In 2018, the Eighth All-Russian competition of operational personnel of the hydroelectric station will be held. In addition to subsidiaries and controlled organisations of the Company, power companies that are not part of RusHydro Group.

In 2018, in accordance with the partnership agreement with the "Professionals and Workforce Development Agency" (Worldskills Russia), the first open branch corporate championship will take place in accordance with "Operational and technological management of hydraulic units and auxiliary equipment" at the Volga educational center of PJSC RusHydro's branch - CorUnH according to the standards of Worldskills Russia.

An important event of 2018 will be the "All-Russian competition of professional skills Best by profession", organised by the Ministry of Labor of the Russian Federation. The list of competitive professions includes the nomination "The Best Electrician on duty", and the employer responsible for organizing the competition is PJSC RusHydro.

In 2018, in accordance with the partnership agreement with the "Professionals and Workforce Development Agency" (Worldskills Russia), the first open branch corporate championship will be organised in accordance with "Operational and technological management of hydraulic units and auxiliary equipment" at the Volzhsky training center of PJSC RusHydro's branch - CorUnH according to the standards of Worldskills Russia.

For 2018, the Year of Volunteer, we plan to implement the key activities of the Young Energy Programme aimed at the social and professional adaptation of children left without adult care, and start developing a Mentoring Programme as a key tool in the preparation of graduates of orphanages for independent life.

In 2017 approved in the new edition:

- Regulations on the development and approval of draft collective agreements (amendments to them) of the controlled organisations of PJSC RusHydro (Order No. 886 of December 18, 2017);

- Regulations on compensation of expenses for spa and health resort treatment and health-tourism holidays for employees of branches of PJSC RusHydro (Order No. 234 of April 18, 2017);
- Rules of internal labour regulations (Decree of September 29, 2017 No. 653);
- Standard rules of the internal work schedule of the branches (Order of 11.09.2017 No. 612 "On Amendments to the Decree of PJSC RusHydro dated December 26, 2007 No. 481;
- Model Regulations on remuneration and compensation to certain categories of executives of companies that are part of RusHydro Group (Minutes of the Board of March 31, 2017).

## OCCUPATIONAL SAFETY AND HEALTH

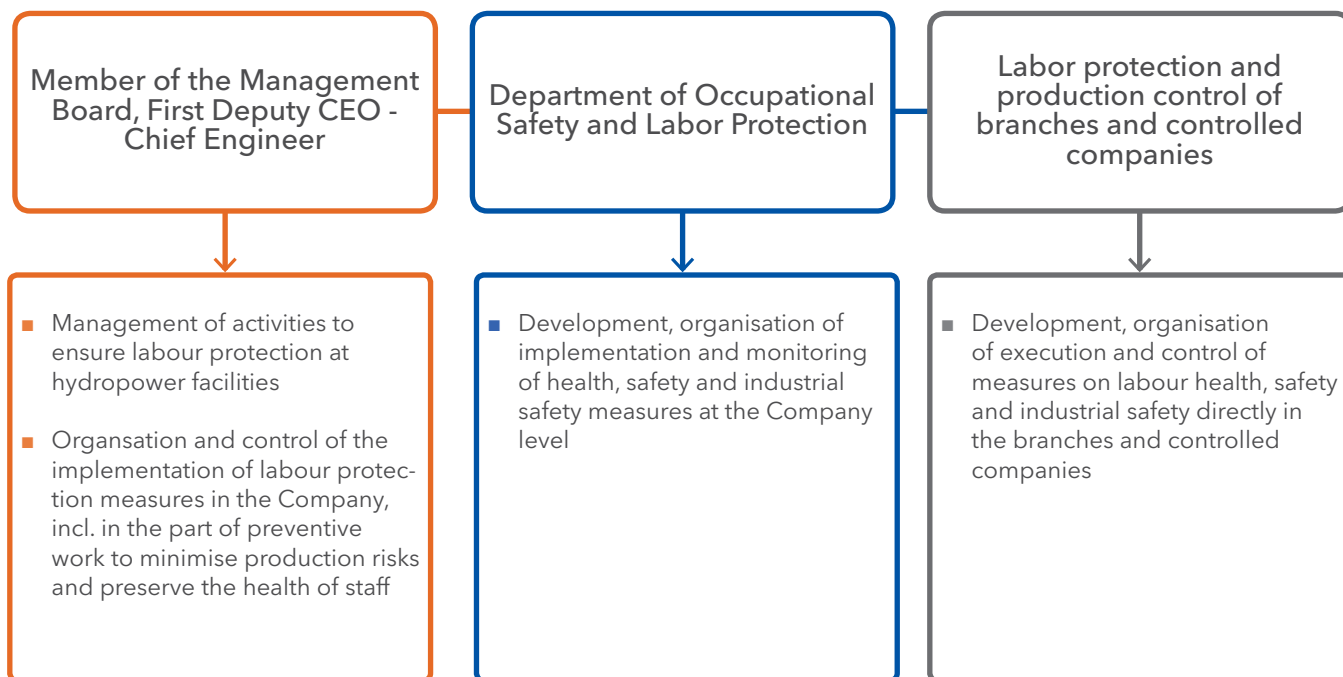
### Safety management system in the workplace

The fundamental document defining the principles of workplace safety in PJSC RusHydro is the Occupational Safety Policy.

The objectives of RusHydro Group in the field of labor protection and industrial safety:

- preservation of the life and health of the Company's employees in the process of labor activity,
- elimination of cases of occupational injuries and occupational diseases,
- formation of safe behavior at work in the workplace and skills to prevent dangerous situations,
- continuous improvement of working conditions.

**Distribution of responsibility for the management of issues of labor organisation, health protection, and industrial safety of PJSC RusHydro**



# OCCUPATIONAL INJURIES, OCCUPATIONAL DISEASES

## Occupational injuries [403-2]

In 2017, there were 33 accidents in RusHydro Group (there were 0 cases in PJSC RusHydro, 12 cases in PJSC RusHydro’s controlled companies (except for RAO ES East Subgroup), RAO ES East Subgroup - 21 cases), the number of victims was 34 people (PJSC RusHydro -

0 people, PJSC RusHydro’s controlled companies (except for the RAO ES East Subgroup) - 13 people, RAO ES East Subgroup - 21 people), including 4 - with fatal outcome. Compared with 2016, the number of accidents decreased by seven.

### Accidents at working place

Index	PJSC RusHydro		RAO ES East Subgroup	
	2016	2017	2016	2017
Number of injured personnel	1	0	27	21
including fatally injured	0	0	3	3
Injury Rate Ratio	0.19	0.00	0.54	0.43

## Occupational diseases

Health and safety issues are reflected in the Action Plans on the improvement of working conditions and recovery and the Collective Agreement of RusHydro Group's companies. [403-4]

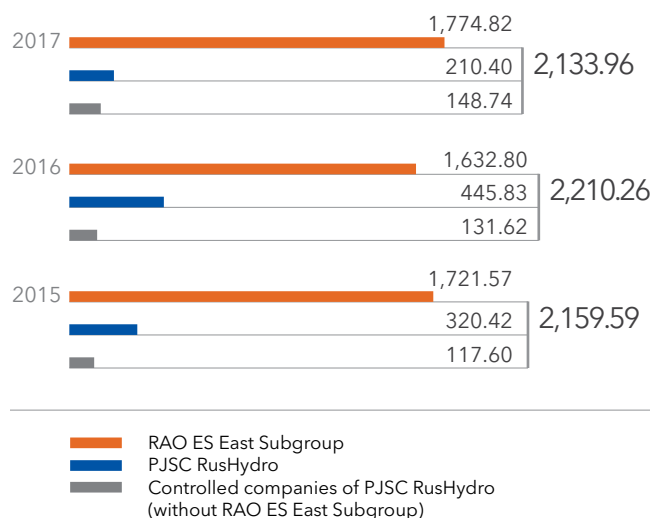
In order to prevent cases of occupational disease, the following works were carried out:

- providing staff with effective means of personal hearing and breathing protection;
- reimbursement of expenses for additional medical examination;
- health resort treatment and sports;
- purchase of first-aid kits and medicines to update the medicinal kits;
- conducting classes on the prevention of infectious diseases;
- preventive vaccination of personnel;
- provision of drinking and vitamin regimes to personnel;
- providing workers with washing and detoxifying substances;
- provision of milk or equivalent products to employees working in hazardous working conditions. [103-2], [103-3]

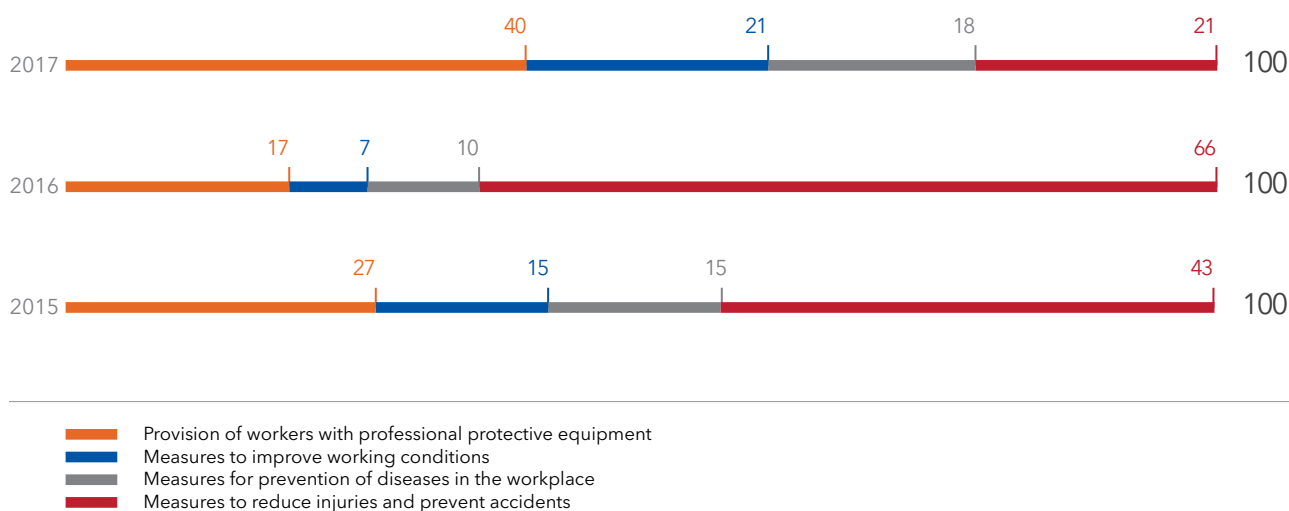
## Costs of occupational health and safety

Labor protection is the most important condition for preserving the health and life of workers in the course of their labor activity. Expenses for the protection of workers of RusHydro Group in 2017 amounted to 2.1 billion rubles.

### Expenses of RusHydro Group on occupational health and safety, RUB mn<sup>1</sup>



### Structure of expenses for occupational health and safety measures of PJSC RusHydro, %



<sup>1</sup> This indicator is disclosed in this Report within the limits of the consolidated financial statements under IFRS, and therefore comparable data for 2016 and 2015 are recalculated similarly.

## Assessment of working conditions <sup>[403-3]</sup>

A special assessment of working conditions / attestation of working places on working conditions was carried out at all workplaces of the Group enterprises. RusHydro Group does not have dangerous class 4 workplaces (employees engaged in professional activities involving high injuries or high risk of occupational diseases).

## Activities in the field of occupational health and safety

The requirements for work with personnel in the organisations of the electrical power industry are established in the Rules approved by Decree No. 49 of the Ministry of Energy of Russia of February 19, 2000.

In 2017, the following activities were carried out with workers in the field of labor protection:

- training of workers in giving first aid to victims;
- training of employees for a new post with internship and training at the workplace;
- verification of knowledge of workers' labor protection rules, rules of technical operation, fire safety rules, industrial safety rules;
- anti-damage and fire-fighting and training;
- all types of safety briefings for own personnel and contractor personnel;
- special training and professional development of employees;
- rounds and inspections of the personnel workplaces in order to identify violations and deviations from the requirements of existing rules, norms, instructions, standards;
- conducting competitions for professional skills among staff;
- organisation of visual prompts;
- conducting days of labor protection.

In RusHydro Group, the number of employees of contractors and subcontractors that was trained in the field of labor protection is not taken into account, in addition to the briefings conducted for contractors - introductory and primary in the workplace.

## Plans for the improvement of occupational health and safety in 2018

- Development of a draft Policy for RusHydro Group undertaking a risk-oriented approach;
- involvement of employees in improvement of occupational health and safety;
- maintenance of the qualifications of employees at a high professional level, cooperation and information exchange between specialists in the field of labor protection and workers, development and implementation of effective measures to identify, eliminate or limit hazards and risks that contribute to the preservation of life and health throughout the whole work period.

## SOCIAL POLICY

In order to implement the socially responsible position of PJSC RusHydro in 2013, the Company's Social Policy was approved. The document established the main principles, goals and objectives for the social development of PJSC RusHydro and its controlled companies in the regions of its presence.

Objectives of the Social Policy:

- development of national projects and the implementation of the Company's socially responsible attitude;
- development of the practice of mutual responsibility and social partnership;
- increasing the attractiveness of PJSC RusHydro as an employer to attract and retain the best staff.

The tasks of Social Policy:

- creating an institutional environment for attracting and retaining young staff;
- formation of a high degree of commitment among employees to the goals and principles of PJSC RusHydro;
- improvement of occupational health and safety taking into account the interests of the employer, employees, shareholders, and the state.