INTERNATIONAL ACTIVITY

Tasks of international activity

The main objectives of RusHydro Group's international operations are to attract investment, innovative technologies and equipment for RusHydro Group's projects, as well as to expand the presence of the Group's engineering and scientific and design complex in foreign markets, taking into account the vast experience in design, construction, and operation of energy facilities.

RusHydro Group strives to ensure that cooperation with foreign partners is long-term, mutually beneficial, and at the same time in the geo-strategic interests of the Russian Federation.

Main directions of international activity:

- representation of RusHydro Group and Russian energy interests on the political, industrial, and business stage;
- cooperation with foreign electricity companies and producers of power equipment in the field of modernisation of existing HPPs, service maintenance;
- attracting foreign investment in RusHydro Group projects;
- promotion of RusHydro's engineering services on foreign markets;
- monitoring of processes occurring in the world energy sector.



1. Armenia

Operation of Sevan-Hrazdan hydropower plants cascade in Armenia

2. IUrk

Cooperation with Rosatom Group on nuclear power plants construction projects in Turkey

3. Austria

Cooperation with Voith Hydro in the sphere of hydropower in Russia Federation

4. Uzbekistan

Cooperation with Uzbekhydroenergo in the sphere of hydropower in Uzbekistan

5. Tajikistan

Cooperation with OJSC "Rogun HPP" (Tajikistan), Salini Impregilo (Italy) and Sangtuda 1 Hydroelectric Power Plant (Russia) in the sphere of hydropower in Tajikistan

6. India

Cooperation with Rosatom Group on nuclear power plants construction projects in India

7. Lao PDR

Cooperation with Xekaman Power Company Ltd. in the sphere of hydropower in Lao PDR $\,$

8. Japar

Cooperation with Mitsui & Co., Ltd (Mitsui), KOMAIHALTEC, Kawasaki Heavy Industries and NEDO on wind power, geothermal power and hydrogen energy projects in Russia Federation

9. Kazakhstan

Providing design and research services for hydropower projects in Kazakhstan



International cooperation

Together with the Japanese companies Mitsui & Co, Ltd, KOMAIHALTEC Inc, Kawasaki Heavy Industries, NEDO, we are exploring opportunities for the joint implementation of projects in the field of development of wind energy.

In particular, there is being carried out the development of a wind-diesel complex construction project with a capacity of up to 4 MW in the Tiksi settlement of the Sakha Republic (Yakutia) using wind turbines produced by Komai in the Arctic version.

The cooperation with Voith Hydro on the project of localisation of production and modernisation of equipment of hydroelectric power plants of RusHydro is continuing.

In 2017, RusHydro's project organisations carried out work on the execution of contracts for the provision of engineering services for the construction of nuclear power facilities in Turkey and India. In 2017, a number of new contracts for the provision of engineering services were concluded within the framework of hydroelectric projects in Uzbekistan and Laos.

Since 2011, RusHydro has owned a 90% stake in CJSC IEC, which owns seven hydroelectric power stations in the Sevan-Hrazdan cascade with an installed capacity of 561 MW on the Hrazdan River (one of the main electricity producers in the Republic of Armenia). Within the framework of the policy of reconstruction and technical re-equipment of the Cascade stations conducted by RusHydro, the reconstruction of Yerevan HPP-1 was completed with upgrading the maximum capacity of the station to 50 MW.

Interaction with international organisations

In the reporting year the Company concluded a number of agreements with the largest foreign energy corporations on cooperation and implementation of joint projects.

The agreements signed by PJSC RusHydro in 2017

Agreement	Direction of cooperation	Benefits
Memorandum of Understanding between Mitsui & Co, Ltd, KOMAIHALTEC Inc, PJSC RusHydro and the Government of the Chukotka AO for a wind power project in the village of Lawrence in the Chukotka Autonomous Okrug - September 7, 2017	Cooperation in the field of joint develop- ment of strategic cooperation for the imple- mentation of a wind power project using technologies of the Japanese counterparty in the village of Laurentia	Opportunities to attract investments and advanced foreign technologies
Memorandum of Understanding between Mitsui & Co, Ltd, KOMAIHALTEC Inc, PJSC RusHydro and the Government of the Kamchatka Krai for the construction of additional capacity of a wind farm in the village of Ust-Kamchatka in the Kamchatka Territory - September 7, 2017	Cooperation in the field of joint develop- ment of cooperation on the construction of additional capacity of a wind power plant in the village of Ust-Kamchatsk	Opportunities to attract investments and advanced foreign technologies

Agreement	Direction of cooperation	Benefits
Agreement on cooperation between Kawasaki Heavy Industries, Ltd, PJSC RusHydro and the Government of the Magadan Region in the field of hydrogen energy - September 6, 2017	Cooperation and joint implementation of the project in the field of liquefied hydrogen production in the Magadan Region territory	Opportunities to attract advanced foreign technologies
Declaration of Intent between the New Energy and Industrial Technology Development Organisation of Japan (NEDO), the Government of the Republic of SAKHA (Yakutia) and PJSC RusHydro for the implementation of a demonstration project for the construction of a wind farm in the village of Tiksi - September 6, 2017	Implementation of energy infrastructure and testing of Japanese equipment, including wind power plants, in the Arctic climatic conditions in the village of Tiksi in the Republic of Sakha (Yakutia)	Opportunities to attract investments and advanced foreign technologies
Memorandum of Understanding and Cooperation between PJSC RusHydro and JSC Uzbekhydroenergo (Uzbekistan) in the field of hydropower - November 16, 2017	Establishment of cooperation in the field of hydropower on the basis of RES and the development of a generation facility based on the energy of water flows	Promotion of RusHydro's engineering services in the field of hydropower and renewable energy on foreign markets

RusHydro takes part in the work of intergovernmental commissions on trade, economic, scientific, and technical cooperation between Russia and other countries.

The Company cooperates with international governmental and public organisations and integration associations, including the Eurasian Economic Union in the work with the Eurasian Economic Commission, the CIS Electric Power Council, the Asia-Pacific Economic Cooperation Organisation, the Shanghai Cooperation Organisation, the BRICS, and others.

PJSC RusHydro is an active participant in major international forums, exhibitions and conferences on the topics of hydro and heat power engineering, renewable energy sources, and heat supply.

In 2017, RusHydro acted as a partner of the Eastern Economic Forum, which is a reputable platform for establishing and strengthening relations with foreign partners, especially from the APR countries, and attracting investors to projects for the development of the energy infrastructure of the Far East. Equally crucially, another traditional platform for RusHydro's presence is the St. Petersburg International Economic Forum.

Representatives of RusHydro Group work in committees and working groups of a number of non-profit partnerships and international organisations, of which the Company is a member, including:

- The Global Sustainable Electricity Partnership;
- International Hydropower Association;
- The International Commission on Large Dams;
- The World Energy Council;
- Russian-Chinese Business Council.