

Priority tasks	Performance
Preparation of strategic documents of the Company	The Long-term Development Programme of RusHydro Group for the period 2016-2020 has been updated
Improvement of corporate governance system	The number of norms and principles of corporate governance outlined in the Code of Corporate Governance and introduced into the practice of corporate management of PJSC RusHydro has been grown
Development of human resources	The implementation plan for professional standards is under way, taking into account the provisions of Federal Law No. 122-FL of 02.05.2015 "On Amendments to the Labour Code of the Russian Federation and Articles 11 and 73 of the Federal Law "On Education in the Russian Federation"

LONG-TERM DEVELOPMENT PROGRAMME

The long-term development programme of RusHydro Group (hereinafter - LDP RusHydro) was composed during the period of 2016-2020 in accordance with the instructions of the President of the Russian Federation¹ and the Government of the Russian Federation².

LDP RusHydro for the period of 2016-2020 approved by the resolution of the Board of Directors of the Company of November 23, 2016 (Minutes No. 244). By the decision of the Board of Directors of the Company dated April 18, 2017 (Minutes No. 251), changes were made to the LDP in terms of the list and methodology of key performance indicators of the LDP in accordance with the KPIs approved by the members of the Management Board of PJSC RusHydro and the KPIs of the Long-Term Motivation Programme of PJSC RusHydro³.

LDP was devised for the period of 2016-2020 and defines the main principles and directions ensuring the dynamic development of RusHydro Group for the effective use of hydro resources, creating conditions for ensuring the reliability of the Unified Energy System of Russia, and creating conditions for the social and economic development of the regions of the Far East by ensuring the availability of energy infrastructure for existing and prospective consumers.

Goals of LDP RusHydro are in line with the strategic goals of RusHydro Group

LDP RusHydro was formed in accordance with the Strategy for the development of RusHydro Group for the period until 2020, with the possibility of prolonging it until 2025⁴, on the basis of RusHydro's consolidated business plan and approved programme documents of RusHydro Group - production programmes, investment programmes, innovative development programmes.

LDP RusHydro contains proposals to improve the operational and investment performance of RusHydro Group, measures to improve the corporate governance system, personnel management system, anti-terrorism, information and economic security and international development system, analysis of risks associated with the implementation of activities, key performance indicators and methodology calculation and evaluation of key performance indicators of the Long-Term Development Programme.

The main activities aimed at implementing the LDP in the reporting year were carried out by means of production, investment and innovation programmes. Information on their implementation is available in see in sections Financial results, Production results, Investment and innovation activities

The audit of the implementation of LDP RusHydro is carried out in accordance with the Standard approved by the Board of Directors of PJSC RusHydro⁵ for the implementation of the Long-Term Development Programme of RusHydro Group and the Terms of Reference for conducting an audit of the implementation of the DG RusHydro⁶, developed while taking into account the recommendations of the Government of the Russian Federation⁷.

¹ Decree of December 27, 2013 No. Pr-3086.

² Minutes dated January 30, 2014 No. 3, directive of the Government of the Russian Federation of July 17, 2014 No. 4955p-P13.

³ The goals, objectives and course of LDP development have not changed.

⁴ Minutes of the Board of Directors No. 238 of June 8, 2016.

⁵ Minutes of the Board of Directors No. 206 of November 21, 2014.

⁶ Minutes of the Board of Directors No. 227 of November 16, 2015.

⁷ Decree of the Government of the Russian Federation of April 15, 2014 No. ISH-P13-2583.