

APPENDIX No.10 INDEPENDENT ASSURANCE REPORT ON THE FULFILMENT OF THE LONG-TERM DEVELOPMENT PROGRAMME OF RUSHYDRO GROUP FOR 2019



Independent Assurance Report on the Fulfilment of the Long-Term Development Programme of RusHydro Group for 2019

To the Management of Public Joint Stock Company Federal Hydro-Generating Company – RusHydro (PJSC RusHydro):

Introduction

We have been engaged by management of PJSC RusHydro to provide limited assurance on the selected information included in the Report on the Fulfilment of the Long-Term Development Programme of RusHydro Group for 2019.

Selected information

The subject matter of our engagement was actual performance indicators of RusHydro Group (the "Group") set out in the Long-Term Development Programme (the "LTDP") and included in the Report on the Fulfilment of the LTDP for 2019 (the "Selected Information").

The Group's actual performance indicators represent information on the Group's achievement of its key performance indicators under the Group's LTDP, included in Section 12 of the Report on the Fulfilment of the LTDP for 2019.

Reporting Criteria

We assessed the calculation and measurement of the Selected Information using the KPIs Calculation and Measurement Methodology (the "Methodology") included in Appendix 4 of the Group's LTDP for the period from 2018 to 2022¹ and in the Appendix to the Report on the Fulfilment of the LTDP for 2019, taking into account some modifications of the Methodology as described in Section 1 of the Report on the Fulfilment of the LTDP for 2019 (hereinafter jointly – the "Reporting criteria").

Management responsibilities

PJSC RusHydro's management is responsible for:

- designing, implementing and maintaining internal controls over the preparation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- publishing the Methodology and description of the modifications to the Methodology;
- preparing the Selected Information in accordance with the legislative requirements, standards and internal corporate regulations, including the Reporting Criteria;
- assessing and presenting the Selected Information based on these requirements; and
- ensuring that the Selected Information is accurate, complete and fairly presented.

¹ Approved by PJSC RusHydro's Board of Directors on 31 May 2018 (Minutes No. 271) as amended by the resolutions of PJSC RusHydro's Board of Directors on 25 October 2018 (Minutes No. 279), on 28 August 2019 (Minutes No. 294) and on 18 October 2019 (Minutes No. 297).

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TRANSLATOR'S EXPLANATORY NOTE: This version of our report/the accompanying documents is a translation from the original, which was prepared in Russian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.



Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information is prepared in accordance with the Reporting Criteria and whether there are material reasons for deviations of actual indicators from target other than those included in the Selected Information;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to PJSC RusHydro's management.

This report, including our conclusions, has been prepared solely for PJSC RusHydro's management in accordance with the agreement between us, to assist management in reporting on the Group's performance under the LTDP for 2019. We permit this report to be disclosed, in particular in the Annual Reportⁱⁱ of PJSC RusHydro for 2019 to enable management to confirm that they have obtained an Independent Assurance Report in connection with the Selected Information for 2019. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than PJSC RusHydro's management for our work or this report except where the respective terms are expressly agreed in writing and our prior consent in writing is obtained.

Professional standards applied and level of assurance

We performed the limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits and Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, together with the ethical requirements of the Auditor's Professional Ethics Code and Auditor's Independence Rules that are relevant to our limited assurance procedures in the Russian Federation.

Our firm applies International Standard on Quality Control 1 and appropriately maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Work Done

We are required to plan and perform our work in order to consider the risks of material misstatement of the Selected Information. For this purpose, our procedures included:

- enquiries of PJSC RusHydro's management;

ⁱⁱ PJSC RusHydro's management is responsible for placing information on PJSC RusHydro's web-site and for accuracy of such information. The scope of our performed work does not include reviewing these matters; consequently, we do not assume any responsibility for any amendments that might have been made to the Selected Information underlying the Independent Limited Assurance Report or any differences between the report issued by us and the information presented on PJSC RusHydro's web-site.



- interviews of the Group's officials responsible for the preparation of the Selected Information and collection of underlying data;
- analysis of the Reporting Criteria and gaining an understanding of the design of the key systems, processes and controls for preparing and reporting the Selected Information;
- assessment of the accuracy of the Selected Information and the reasons for deviations of the Selected Information from target performance indicators in case of non-fulfilment; and
- limited substantive testing of the Selected Information on a sample basis to verify that data have been appropriately measured, recorded, collated and reported in line with the Reporting Criteria.

We have not performed any audit or review procedures in accordance with International Standards on Auditing or International Standards on Review Engagements on the underlying data based on which the Selected Information was prepared.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Reporting and measurement methodologies

The Selected Information and this Independent Report should be read and considered together with the Reporting Criteria as the absence of generally accepted and established practice for measurement and assessment of the Selected Information may lead to the application of different, but acceptable, techniques to calculate and assess key performance indicators, which may affect its comparability with other organisations and prior period information.

Limited assurance conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Selected Information in the attached Report on the Fulfilment of the Group's LTDP for 2019 is not prepared, in all material respects, in accordance with the Reporting Criteria.

23 April 2020

Moscow, Russian Federation

A.S. Ivanov, certified auditor (licence no. 01-000531),

AO PricewaterhouseCoopers Audit

Engaging party - Public joint stock company Federal Hydro-Generating Company - RusHydro

Record made in the Unified State Register of Legal Entities on 26 December 2004 under State Registration Number 104340110494

Taxpayer Identification Number 280302195

60017, Russian Federation, Krasnoyarsk Region, Krasnoyarsk, Dubrovnikogo st. 43, bld. 1

Audit organization:
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Registered by the Government Agency Moscow Registration Chamber on 28 February 1992 under No. 006.800

Record made in the Unified State Register of Legal Entities on 22 August 2002 under State Registration Number 1027700148431

Taxpayer Identification Number 7700051102

Member of Self-regulatory organization of auditors Association «Sodruzhestvo

Principal Registration Number of the Record in the Register of Auditors and Audit Organizations - 12008020036

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