

**APPENDIX No.19 CONSIDERATION OF STAKEHOLDERS' RECOMMENDATIONS GIVEN AT THE PUBLIC HEARINGS IN 2020 (REPORT FOR 2019 DRAFT)**

No.	Recommendations	PJSC RusHydro's response for 2019
1.	Add the revenue disclosure to the Annual Report (by electricity and capacity) in terms of market and tariff sources for 2018 and 2019	See the information on electricity and capacity sales in physical terms in the WECM Sales and REM Sales sections. The information on the revenue from sales is detailed in Appendix 16
2.	Show RusHydro Group's position against European generating companies by specific CO2 emissions in the Environmental Protection section	The possibility of including the relevant information will be reviewed when preparing reports for subsequent reporting periods
3.	Include the Papanin Institute for Biology of Inland Waters Russian Academy of Sciences in the STC's specialized section "Water Reservoirs and Environmental Protection"	It is considered in the Ensuring Compliance with Environmental Laws section
4.	Specify Latin names: <ul style="list-style-type: none"> <li>• demoiselle crane — <i>Anthropoides virgo</i></li> <li>• irbis — <i>Panthera uncia</i></li> <li>• persian leopard or snow leopard — <i>Panthera pardus ciscaucasica</i></li> <li>• red-list fish species — Caspian salmon — <i>Salmo trutta caspius</i></li> <li>• sterlet — <i>Acipenser ruthenus</i></li> </ul>	It is considered in the Animal Protection and Recovery of Aquatic Life sections
5.	Transfer the Information on the Report and Responsibility Statement sections to the end of the report/the appendix, since the information is not important enough to be placed at the beginning of the report	The structure of the report was approved at the beginning of the reporting campaign and is recognizable compared to the previous annual reports. Furthermore, the Information on the Report section provides the data both on the company names which are further used in the text and on the segments (subgroups), as well as the important reference to the Appendices Book. Therefore, it is advisable to place this section at the beginning of the report
6.	Transfer the information about coronavirus from the Risk Management section to the beginning of the report due to the relevance of this topic. It is important to expand this topic by adding the information to the messages of the top management, as well as to emphasize topics related to the virus (employment support, health and safety of employees, uninterrupted electricity supply to consumers, supply chain management (there are some export/import and transportation issues due to closed borders))	The Company considers the location and scope of the COVID-19 disclosure in the 2019 Annual Report sufficient. The possibility of including more detailed information on the measures taken and the influence of the current situation on the Company's activities will be reviewed when preparing reports for subsequent reporting periods
7.	In the Sustainable Development section it is necessary to state specific objectives and tasks related to this issue (if any). Furthermore, there is no need to list all the documents related to sustainable development; only key documents should be named, and it is then enough to provide the link to the website where they are collected	The possibility of including the relevant information will be reviewed when preparing reports for subsequent reporting periods
8.	Due to severe floods in Siberia in 2019, it is necessary to disclose the information on RusHydro's presence in the affected regions, the Company's measures and involvement in the remediation, as well as the state of RusHydro facilities (probability of accidents)	From the end of June to the beginning of August 2019, flooding was recorded in Irkutsk Region receiving the federal emergency status (Decree of the President of the Russian Federation No. 316 of July 3, 2019). There are no facilities of RusHydro Group in the specified

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		territory. Other facilities of RusHydro Group located in the Siberian Federal District (Sayano-Shushenskaya HPP, Mainskaya HPP, Novosibirskaya HPP and Boguchanskaya HPP) operated in a regular mode in compliance with the requirements of the Federal Water Resources Agency and dispatcher instructions by JSC SO UES
9.	Add more content to the Personnel Management System Development Plans section (in addition to the conferences and the talent pool development)	The Company considers the amount of information presented in the section to be sufficient within the scope of projected activities
10.	Indicate in the report that indirect greenhouse gas emissions are not taken into account	The information on the lack of consideration for indirect greenhouse gas emissions is disclosed as part of the FTSE RUSSELL B EU Index. In the future, the Company plans to develop a tracking system to quantify indirect greenhouse gas emissions and disclose this information in subsequent reporting periods
11.	Consider optimizing the volume of the report (reducing descriptive blocks by adding links for the information on the website or in previous annual reports)	The possibility of including the relevant information will be reviewed when preparing reports for subsequent reporting periods
12.	Disclose the information on measures taken to reduce the negative impact on hydrobionts	It is considered in the Recovery of Aquatic Life section
13.	Disclose the information on the RusHydro's educational activities in the field of public awareness (popularization) of the importance of renewable energy sources and, in particular, hydropower as one of the most eco-friendly energy sources	Currently, these educational activities are not carried out. The possibility of disclosing the information on the plans will be reviewed when preparing reports for subsequent reporting periods
14.	Provide more detailed information on the Company's contribution to the development of smaller HPPs as the most eco-friendly hydropower type	It is considered in the Smaller HPPs section
15.	Specify the reason for the large amount of wastewater discharges: much of the wastewater are untreated or insufficiently treated	It is considered in the Water Use and Discharge section
16.	Compare RusHydro Group's greenhouse gas emissions to estimate the scope	It is considered in the Greenhouse Gas Emissions section
17.	Provide the information on remuneration of diligent payers	It is considered in the Improvement of Payment Discipline Through Outreach Measures section
18.	Disclose the information on the sources which, in addition to the "Dedicated financial reserve for emergencies", enabled RusHydro Group to form financial reserves to compensate for the damage that could be caused to the third parties as a result of the hydraulic structures accident (dam destruction)	It is considered in the Preparedness for Natural Disasters and Emergencies section
19.	Reduce the information on the general ideas about the electricity market in Russia	The Annual Report is designed for a wide range of stakeholders, including those who are not significantly informed on the electricity market, and therefore the Company considers it important and useful to disclose this information
20.	Compare the Company's actions and expenses to achieve the UN sustainable development goals against the previous year	Since the measurable indicators have been introduced as part of the current reporting campaign, the possibility of including the relevant information will be reviewed when

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		preparing reports for subsequent reporting periods
21.	Present the results (if any) of RusHydro's work on developing methodological approaches to understanding global climate change processes in terms of greenhouse gas emissions from the surface of HPP freshwater reservoirs and evaluating their absorbing capacity	Large hydropower plants are one of the most significant deterrents for climate change. There is no consensus on greenhouse gas emissions from the surface of freshwater reservoirs and, accordingly, the carbon neutrality of hydropower plants and their water reservoirs, as well as on estimation of absorbing capacity of hydropower reservoirs. For this purpose, RusHydro considers the possibility of developing methodological approaches to understanding global climate change processes in terms of greenhouse gas emissions from the surface of HPP freshwater reservoirs and evaluating their absorbing capacity
22.	It is advisable to specify which categories of environmental impact RusHydro facilities are referred to	In RusHydro Group, the facilities able to have a negative impact on the environment belong to categories 1, 2, 3, and 4. The possibility of including the relevant information will be reviewed when preparing reports for subsequent reporting periods
23.	Provide the information on regions (in addition to those already indicated) where biodiversity projects are planned. Indicate whether such separate projects can help to develop methodological documents in the field of biodiversity, or whether these projects are developed exclusively for a specific region and for a specific species of animals or birds and cannot be scaled to a wider range	It is considered in the Stakeholder Relations section
24.	Add the following information to the report: In 2019, PJSC RusHydro intensely participated in the implementation of a project by the Association "Hydropower of Russia", targeting the development of an assessment system of operated hydropower facilities' compliance with the sustainable development criteria, taking into account the requirements of current Russian legislation regarding the analysis of existing methods. The project implementation will be resumed in 2020, with the assistance of the International Hydropower Association	It is considered in the Sustainable Development section
25.	The capacity increase as part of retrofitting and upgrading is not considered in the table "Plans to finance the construction of power generation for a low-carbon economy." It is also advisable to edit the title of the table and add the indicator "Volume of planned reductions of CO2 emissions" based on specific indicators of heat generation and annual output of commissioned/retrofitted HPPs	The possibility of including the relevant information will be reviewed when preparing reports for subsequent reporting periods
26.	Update the Comprehensive Modernization Program section with the information that the results of this program were presented by PJSC RusHydro at the Russian Energy Week International Forum (REW 2019) organized by the Ministry of Energy of the Russian Federation and the Moscow Government	It is considered in the Comprehensive Modernization, Rehabilitation, and Upgrade Programs section

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	as part of the meeting dedicated to "Energy Efficiency and Energy Safety of Hydropower Facilities regarding Modernization of the Energy Equipment and Digital Transformation"	
27.	Add the information to the report that PJSC RusHydro acted as an initiator and an active participant of the project implemented by the Association "Hydropower of Russia" to develop the Methodological Guidelines for Assessing Impacts on Water Bioresources in the Construction and Operation of Hydropower Plants. The project, executed by the Analytical Center under the Government of the Russian Federation and the B.E.Vedeneev VNIIG, was completed in December 2019 after its consideration and approval at RTC of PJSC RusHydro	It is considered in the Ensuring Compliance with Environmental Laws section
28.	Add information that, in 2019, PJSC RusHydro continued developing the national standardization system by ensuring operation of the specialized subcommittee — Hydropower Plants (hereinafter, SC-4) of the Technical Committee 016 "Power Sector"	It is considered in the Stakeholder Relations section
29.	In the Key Performance Indicators section, the target values are almost the same for 2018 and 2019 (that is, there is no growth, but in terms of such indicators as, for example, profit before tax and depreciation, target values decreased compared to the previous year). The planned values for 2020–2022 are lower than the actual values of 2019 (for example, procurement from SMEs, productivity, ROE, and ESP). It is necessary to explain this trend	All the target (planned) KPIs are regulatory or estimated. Regulatory target values are determined by the directives of the Government of the Russian Federation or other federal legislative acts ("Decrease in operating expenses (costs), %", "Labor productivity", "Share of procurement from small and medium businesses, %") or are determined as the maximum and/or threshold percentage ("Adherence to the capacity commissioning schedule, funding and spending plan, %", "ROE (TSR), %", "Integral innovative KPI", "Prevention of accidents exceeding the limit number of accidents"). Estimated target values for financial and economic KPIs are determined in accordance with the RusHydro Group's consolidated business plan approved by the Board of Directors of PJSC RusHydro for the corresponding planning period under the current KPI calculation and evaluation methodology. Estimated target values include such KPIs as "EBITDA, RUB mn", "ROE, %", "Free cash flow (FCF), RUB mn", "Earnings per share (EPS), RUB/share"
30.	Add to the appendices to the report the data on volume operating indicators by controlled organization: installed capacities, power and heat generation and output, loss volumes, capacity factor, etc.	The possibility of including the relevant information will be reviewed when preparing reports for subsequent reporting periods