

# Social initiatives and contribution to the growth of local communities

## Charity and social projects [103-2] [203-1]

RusHydro Group plays a significant role in the development of the regions where it operates. The projects we initiate or sponsor for the benefit of the communities target tangible problems, help boost economic and social development, and contribute to improved standards of living.

The key objective of RusHydro's social and charity activities is to set the stage for sustainable development in the Group's regions of operation, foster a favorable social environment and help unlock Russia's spiritual, scientific, technical and intellectual potential.

### RusHydro's charitable priorities include:

Education
Environment
Healthcare
Sports
Culture
Support of social institutions and organizations
Initiatives promoting social and economic development of Russian regions
Support of charitable foundations and non-profit organizations
Improving the living standards of low-income households and people in need

The Company's charitable activities are governed by its Charity and Sponsorship Policy<sup>1</sup>.

Every year, the Board of Directors approves the Company's Charity and Sponsorship Program<sup>2</sup>, as well as the progress and spending report<sup>3</sup>.

In 2019, RusHydro allocated RUB 1.38 bn to its Charity and Sponsorship Program. In addition to the Program, the Company's subsidiaries provided more than RUB 100 mn in charity support.

### Education

Support for educational institutions translates into technical upgrade initiatives and implementation of educational projects. In 2019, RusHydro provided financial support to over 80 educational institutions for kids and teenagers, including kindergartens, secondary schools,

music schools and community centers, and centers of additional education and leisure for children and youth.

In 2019, RusHydro rendered financial aid to Russian Children's Center Ocean in Vladivostok and Educational Center Sirius in Sochi to help them arrange energy project contests and educational programs for gifted youth from across the country. The Company also contributed to renovating the Renewable Energy educational platform in the children's career guidance center Masterslavl.

During the reporting year, RusHydro provided financial support to six industry-oriented universities. Among other things, the Company implemented the project to create corporate information zones in the National Research University Moscow Power Engineering Institute and Far Eastern Federal University,



RusHydro staged the 10th edition of the Energy for Development contest for undergraduates and postgraduates of technical universities, aiming to put in place a long-term framework for consistent professional training in the energy sector and facilitate industry-specific education.

Over the years, more than 1,000 undergraduates and postgraduates submitted their applications to take part in the contest, with dozens of winners opting to pursue a career in the energy sector after the competition.

<sup>1</sup> Approved by the Board of Directors, Minutes No. 280 of December 7, 2019.

<sup>2</sup> Minutes No. 283 of February 21, 2019, updated Program based on minutes No. 285 of March 29, 2019, No. 289 of May 20, 2019, No. 292 of June 21, 2019, and No. 29 of September 23, 2019.

<sup>3</sup> Minutes No. 304 of February 12, 2020.

which allow students to relax between classes while learning about the energy industry and RysHydro's activities.

## Environment

In the reporting period, the Company provided assistance to 19 specially protected natural areas, including nature reserves, protected areas and national parks. RusHydro Group allocates funds to support:

- initiatives aimed at protecting ecosystems and natural habitats, and saving rare and endangered animal and bird species (the Siberian tiger, snow leopard, Persian leopard, wisent, Caucasian tur, Siberian musk deer, white-tailed eagle, Manchurian, Japanese and white-naped cranes, grus, etc.);
- efforts to raise environmental awareness;
- research;
- infrastructure and facilities of specially protected natural areas.

For details on progress under environmental initiatives, see the [Biodiversity Conservation](#) section

## Healthcare

Every year, in the run-up to the Energy Worker's Day, RusHydro holds an Energy Born charity event, aiming to provide maternity hospitals, perinatal care centers and maternity wards of inpatient facilities from across the Company's footprint with state-of-the-art medical equipment.

In 2019, the Group purchased, delivered and installed advanced equipment and supplies for laboratories and diagnostics,

intensive care, midwifery and neonatology units in 23 healthcare institutions from 17 regions. RusHydro also procured ventilators, neonatal incubators, cardiotocographs / fetal monitors, neonatal phototherapy and intensive care units, and bactericidal irradiators as required by the healthcare facilities. Thanks to the help of RusHydro, doctors now have access to state-of-the-art hysteroscopic resectoscopes, electrical diagnostic and treatment tools complete with video recorders and monitors, ultrasound equipment, etc.

In the reporting year the Group also provided financing for other dedicated healthcare institutions to purchase medical equipment and carry out maintenance works.

## Sports

In 2019, more than 30 sports schools and football, basketball, hockey, tennis, chess, water sports and martial arts clubs from the Company's regions of operation became eligible for charitable assistance.

RusHydro Group provided financial and organizational

support for an interregional table tennis tournament, the Cup of the Rybinsk Sea sailing competition, Golden Puck children's hockey contest and Interregional Swimming Tournament.

Financing was also granted to the Russian Union of Martial Arts, the Russian Judo Federation, the Russian Whitewater Slalom Federation, the Yenisei-STM Rugby Club and the Perm Territory's Sports Foundation for Promotion of the Kyokushin.

## Culture



libraries, boarding schools, orphanages and educational institutions received books as a gift from the Company

Cooperation with the Russian Geographical Society is one of RusHydro's major projects in the realm of culture. In 2019, RusHydro Group provided financial assistance for the Society to put in place a grant fund designed to promote research on natural phenomena and rare animal species, while also



In partnership with Dom Detskoy Knigi, a foundation promoting children's literature and reading culture, we published our seventh book for kids titled "Princess Water".

The book is a compilation of legends on rivers scattered throughout the Group's regions of operation in Russia – everywhere from Murmansk to Petropavlovsk-Kamchatsky. More than 100 libraries, boarding schools, orphanages and educational institutions received these books as a gift from the Company.

supporting the organization's publishing activities and environmental and geographical expeditions.

Financing was also allocated to ensure the preservation of cultural and historical heritage by upgrading 13 cultural institutions from ten Russian regions, including museums, community centers, and libraries. The financial assistance provided by the Company made it possible to stage a large number of creative festivals, contests and exhibitions, and to promote book publishing.

### Support of social institutions and organizations

RusHydro pays close attention to the problems of children without parental care and kids with special needs.

In 2019, more than 90 social establishments for children

received financial aid from the Group. The Company's charitable assistance helped upgrade and refurbish the institutions' facilities, prepare orphan undergraduates for adult life, furnish playgrounds, including those for children with special needs, purchase special learning equipment, set up rehabilitation courses, and organize educational excursions and sports competitions.

On top of that, in 2019, the Group provided assistance to a number of social and rehabilitation centers, nursing homes for lonely seniors and disabled people, and geriatric centers. By tapping into RusHydro's funds, the social institutions were able to implement a variety of nursing and recreational initiatives, provide support in the management of mental health conditions and adjustment to the social environment, organize leisure activities, and offer help

in seeking employment and addressing other problems of socially vulnerable groups.

### Initiatives promoting social and economic development of Russian regions

In 2019, the Company provided financing to purchase educational equipment and furniture for a pre-university school and a boarding school for gifted children in Saratov, refurbish a pedestrian area in a municipal park of Balakovo, and support a number of socially significant events scheduled to coincide with landmarks in the history of RusHydro and regions of its operation. Additionally, hundreds of municipal and regional healthcare, educational, cultural and sports facilities annually become eligible for RusHydro's support under social infrastructure development programs. Educational institutions benefit from the Company's financial aid to make repairs, buy necessary equipment and materials, office machinery and furniture, and stage dedicated events.

### Support of charitable foundations and non-profit organizations [EC]

RusHydro Group allocated funds to support more than 30 charitable foundations and non-profit organizations at the regional and national levels.

In 2019, charitable foundations benefiting from the Company's financial assistance included the Vera Hospice Charity Fund, Center for Humanitarian Programs, Live Now, Joy in



In 2018, RusHydro Group launched a partnership with Live Now, a foundation supporting patients suffering from ALS and other motor neuron diseases.

To receive financial aid, the Foundation sends a request to the Company. After having considered the request, RusHydro enters into a donation agreement to sponsor the Foundation's statutory activities in line with the Charity and Sponsorship Program approved by the Group's Board of Directors. This framework enables the Company to control all stages of project implementation.

The allocated funds are used to organize medical consultations for patients from Russian regions, finance inpatient and home-based nursing services and purchase, maintain and repair special medical equipment.

Upon the completion of projects, the Foundation submits a report on appropriate use of allocated funds. [EC][OS]

Old Age, and Creation charity organizations, regional charitable foundation "Illustrated Books for Little Blind Children", and regional branches of the Russian Childhood Foundation.

In its regions of operation, the Company supports local charitable foundations such as Your Choice, Pure Heart, Prometheus, Dedmorozim Children's Charity Foundation, Cheremushki Sports and Creativity

Promotion Foundation, Primula Environmental Foundation, etc.

### Improving the living standards of low income households and people in need

As part of this initiative, financial assistance was provided to people in distress from RusHydro's regions of operation, including adults and children with serious health conditions who needed urgent or costly

medical help or rehabilitation, and veterans of war and labor. Targeted aid is allocated to the veterans of the energy sector and workers with outstanding achievements to help them purchase medications, pay for their rehabilitation therapies, and buy home appliances. Every year, RusHydro stages festive events and purchases gifts to mark the World War II Victory Day, Energy Worker's Day, New Year and other celebrations.

## Investments in socially significant infrastructure [203-2]



# 15

socially significant facilities were gratuitously transferred to the property of Russian Regions in 2019

Energy facilities constructed by RusHydro Group represent an important contribution to the development of social infrastructure in the regions of operation. By eliminating energy shortages, reducing generation costs and minimising grid losses, the Company ensures a stable supply of energy and heat for its consumers and higher tax revenues at every government level, while also addressing local unemployment issues by creating additional jobs at new facilities.

For details on construction activities under key investment projects, see the [Construction and modernization of production facilities](#) section



In 2019, RusHydro's Board of Directors approved a gratuitous transfer of rights over an infectious disease clinic (part of the Srednekanskaya Central District Hospital in the settlement of Seymchan) to the government of the Magadan Region.

The clinic had been built as a social extension of the Ust-Srednekanskaya HPP construction project. The transfer helped improve the quality of medical services in the area and overcome the shortage of inpatient beds.

The building had been designed and constructed to meet the latest healthcare and technical requirements.

In addition to energy facilities that are socially significant by their very nature, RusHydro transfers the rights over social and infrastructure facilities constructed or financed by the Company to regions of its operation, producing a considerable positive impact on local communities and economies.

In 2019, RusHydro Group transferred ownership of 15 socially significant facilities to regions of the Russian

Federation. The transferred infrastructure facilities included a dam, motorway bridges, pedestrian and cycling lanes, a motorway, an infectious disease clinic, and heat supply networks, while the social facilities included two modular shift camp dormitories, a firefighting depot and buildings accommodating a variety of establishments, including laboratories of the Siberian Federal University. [EC]