

Shareholders and investors

Share capital and securities

Authorized capital

As at December 31, 2019, the registered authorized capital of PJSC RusHydro was RUB 426,288,813,551 and consisted of 426,288,813,551 ordinary shares, each with a par value of RUB 1¹.

Additional share issuance

In Q2 2019, RusHydro completed the first stage of its share placement² consisting in the exercise of the shareholders' pre-emptive right to buy out additional issuance shares.

As part of the pre-emptive right exercise, RusHydro placed 7,000,092,298 additional shares among its shareholders (including 7,000,000,000 shares purchased

by the Federal Agency for State Property Management on behalf of the Russian Federation), each with a par value of RUB 1. As a result, the interest of the Russian Federation in the Company's share capital increased from 60.6% to 61.2%.

As at December 31, 2019, the date for the second stage of additional share issuance (via open subscription) remained unspecified, with the announcement deadline set for July 10, 2020.

Information on shares

The total number of voting shares is 433,288,905,849 ordinary registered shares. The Company did not issue preferred or ordinary shares with differing par values.

In accordance with Article 38 of Federal Law No. 178-FZ On the Privatization of State and Municipal Property dated December 21, 2001 (as amended on August 2, 2019), the Russian Federation has no special right to participate in the management of PJSC RusHydro (the "golden share").

According to the statement by executive bodies, there is no available information on any interests in the share capital of over 5%, apart from the data already disclosed by the Company.



Full text of the statement by executive bodies:
<http://www.eng.rushydro.ru/>

Shareholders

PJSC RusHydro's shares are held by around 350,000 Russian and foreign investors. The Russian Federation owns the controlling stake of 265,161,535,606 shares³, or 61.2% of the Company's total number of outstanding shares.

The Russian Government owns the Company's shares held by the Federal Agency for State Property Management (265,161,535,606 shares) and ITAR-TASS News Agency (248,527 shares). [102-5]

The Company does not hold any of its own shares.

Company's subsidiaries hold 3,852,259,324 shares, or 0.9% of the Company's authorized capital⁴.

¹ State registration number of the issue: 1-01-55038-E, dated February 22, 2005.

² On June 21, 2018, the Board of Directors resolved to increase the authorized capital by RUB 14,013,888,828 with an additional placement via open subscription. The decision to issue additional shares was registered by the Bank of Russia on August 27, 2018, with the issuance being assigned the registration number of 1-01-55038-E-043D.

The proceeds from the additional issuance will be invested in the first stage of a project to construct two single-circuit 110 kV Pevek-Bilibino power lines in Chukotka in the run-up to the upcoming refurbishment of the Chaun and Bilibino energy hub following the decommissioning of power units at Bilibino NPP, which reached the end of its service life.

³ Including shares of additional issuance No. 1-01-55038-E-043D dated August 27, 2018, with the additional issuance report still pending registration by the Bank of Russia as at December 31, 2019.

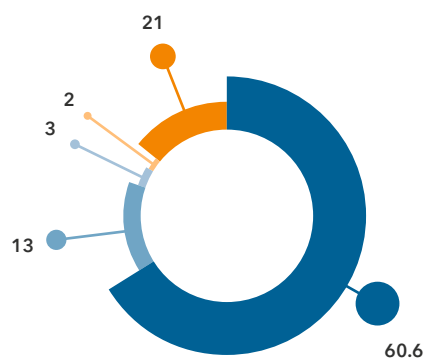
⁴ RusHydro's shares held by subsidiaries were not used in voting at the Annual General Meeting of Shareholders that took place on June 28, 2019.

The number of shares held by the Company's subsidiaries

Name	Number of shares, pcs	Share in authorized capital, %
JSC Hydroinvest	3,430,091,314	0.804640
JSC Zaramagskiye HPP	271,302,097	0.063643
PJSC DEK	73,093,031	0.017146
JSC RAO ES East	48,511,631	0.011380
JSC ChirkeyGESstroy	29,205,310	0.006851
PJSC Yakutskenergo	55,941	0.000013

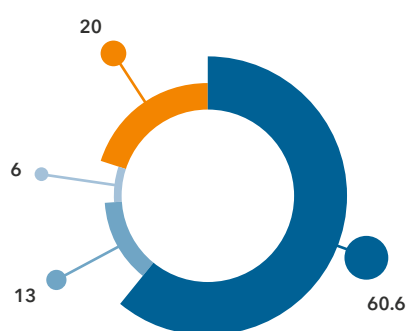
Changes in the group of persons with the right to exercise, directly or indirectly, at least 2% of the voting rights attached to the Company's voting shares¹, %

as at December 31, 2017



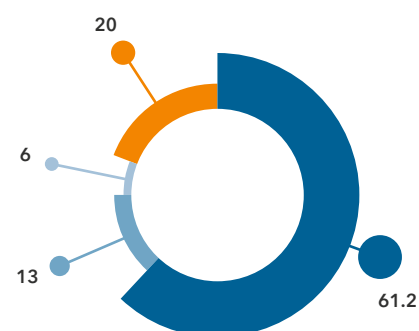
- Federal Agency for State Property Management
- VTB Bank (PJSC)
- Jivanta Ventures Limited
- LLC Avitrans
- Other shareholders

as at December 31, 2018



- Federal Agency for State Property Management
- VTB Bank (PJSC)
- LLC Avitrans
- Other shareholders

as at December 31, 2019



- Federal Agency for State Property Management
- VTB Bank (PJSC)
- LLC Avitrans
- Other shareholders

Changes in the shareholding structure by shareholder category, %

Name of the registered entity	Percentage share in authorized capital as at December 31, 2017	Percentage share in authorized capital as at December 31, 2018	Percentage share in authorized capital as at December 31, 2019 ²
The Russian Federation as represented by the Federal Agency for State Property Management	60.561	60.561	61.197
Legal entities, including:	38.087	38.115	37.509
resident	38.066	38.093	37.495
non-resident	0.021	0.022	0.014
Individuals, including:	1.352	1.324	1.294
resident	1.350	1.322	1.292
non-resident	0.002	0.002	0.002

¹ Shares in the registered authorized capital.

² Including shares of additional issuance No. 1-01-55038-E-043D dated August 27, 2018, with the additional issuance report still pending registration by the Bank of Russia.

Share of securities in free float¹, %

Date	Free-float factor
Last trading day of 2017	25
Last trading day of 2018	19
Last trading day of 2019	19

Shareholder agreements

Rushydro's shareholders can enter into shareholder agreements that determine PJSC Rushydro's corporate governance and shareholding procedures².

Notifications on concluded shareholder agreements received by Rushydro

Parties to the shareholder agreement	Date of the shareholder agreement
<ul style="list-style-type: none"> – The Russian Federation as represented by the Federal Agency for State Property Management – VTB Bank (PJSC) 	March 7, 2017
<ul style="list-style-type: none"> – The Russian Federation as represented by the Federal Agency for State Property Management – Rushydro's subsidiaries: Hydroinvest³, EZOP, Energy Index – HydroOGK 	June 23, 2016

Outstanding shares

Moscow Exchange listing

The Company's shares have been traded on the Moscow Exchange (formerly MICEX Stock Exchange) since February 4, 2008 (ticker: HYDR). Index inclusion:

- MOEX Russia Index (previous name – MICEX Index) IMOEX;
- Electric Utilities Index MOEXEU;
- Broad Market Index MOEXBMI;
- State-Owned Companies Index MOEXSCI;
- FTSE Emerging Index AWALLE;
- FTSE All-World Index AWORLDS;
- FTSE4Good Emerging;
- NASDAQ Russia NQRU;
- Nasdaq AlphaDEX Emerging Markets NQDXEM;
- STOXX Russia Total Market TCRUP;
- STOXX Optimized Russia EEORGT.

Moscow Exchange trading information

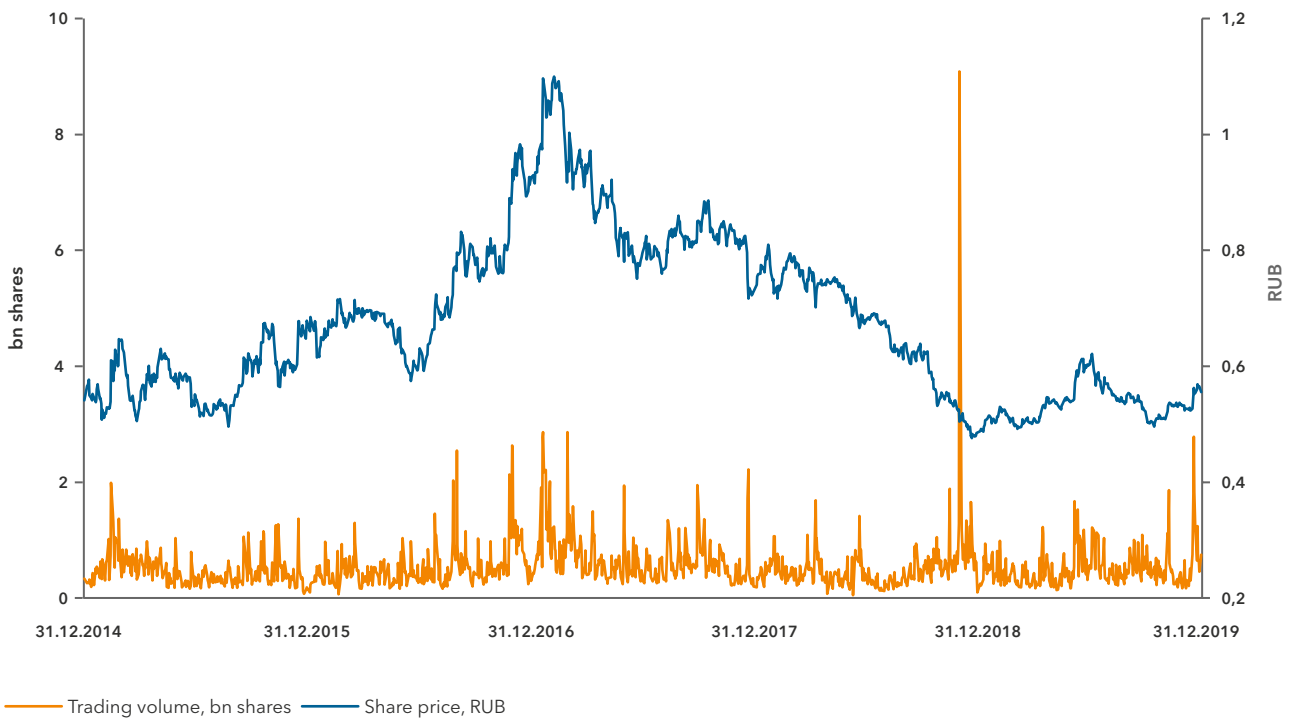
Item	2017	2018	2019
Trading mode	T+: stocks and DRs	T+: stocks and DRs	T+: stocks and DRs
Currency	RUB	RUB	RUB
Maximum trade price	1.100	0.810	0.622
Minimum trade price	0.717	0.476	0.487
Year-end trade price	0.729	0.486	0.555
Trading volume, bn pcs	173	136	132

¹ In accordance with the Moscow Exchange's methodology for calculating the free-float factor published at <https://fs.moex.com/files/4540>.

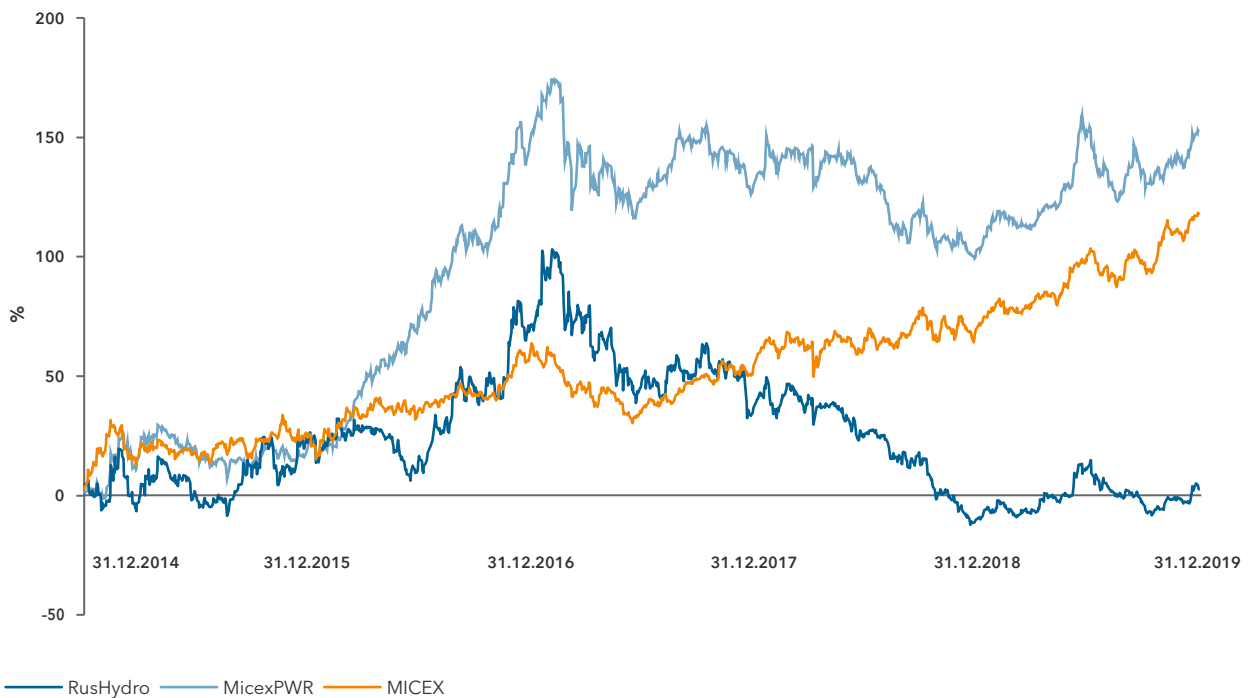
² For information on the ability of certain shareholders to obtain or actual cases of them obtaining an extent of control disproportionate to their contribution to the authorized capital, including through shareholder agreements or based on their holding ordinary and preferred shares with differing par values, please see the Company's website at <http://www.rushydro.ru/upload/iblock/102/Svedeniya-o-vozmozhnosti-priobreteniya-ili-o-priobrenenii-opredelennimi-aktsionerami-stepeni-kontrolya.pdf>.

³ As at March 7, 2017, Hydroinvest was no longer the Company's shareholder, while the aggregate stake of EZOP and Energy Index – HydroOGK in the Company's authorized capital went down to 0.8% due to the sale of shares to VTB Bank (PJSC). As at September 9, 2018, Hydroinvest held 0.8% in Rushydro's authorized capital following the incorporation of EZOP and Energy Index – HydroOGK into Hydroinvest.

Share performance on the Moscow Exchange



Shares vs key indices of the Moscow Exchange



Shares traded on the global market

As at December 31, 2018, the number of shares traded outside of the Russian Federation in the form of ADRs and GDRs

stood at 9,657,528,500, or 2.27% of the Company's registered authorized capital (excluding shares of additional issuance

No. 1-01-55038-E-043D dated August 27, 2018).

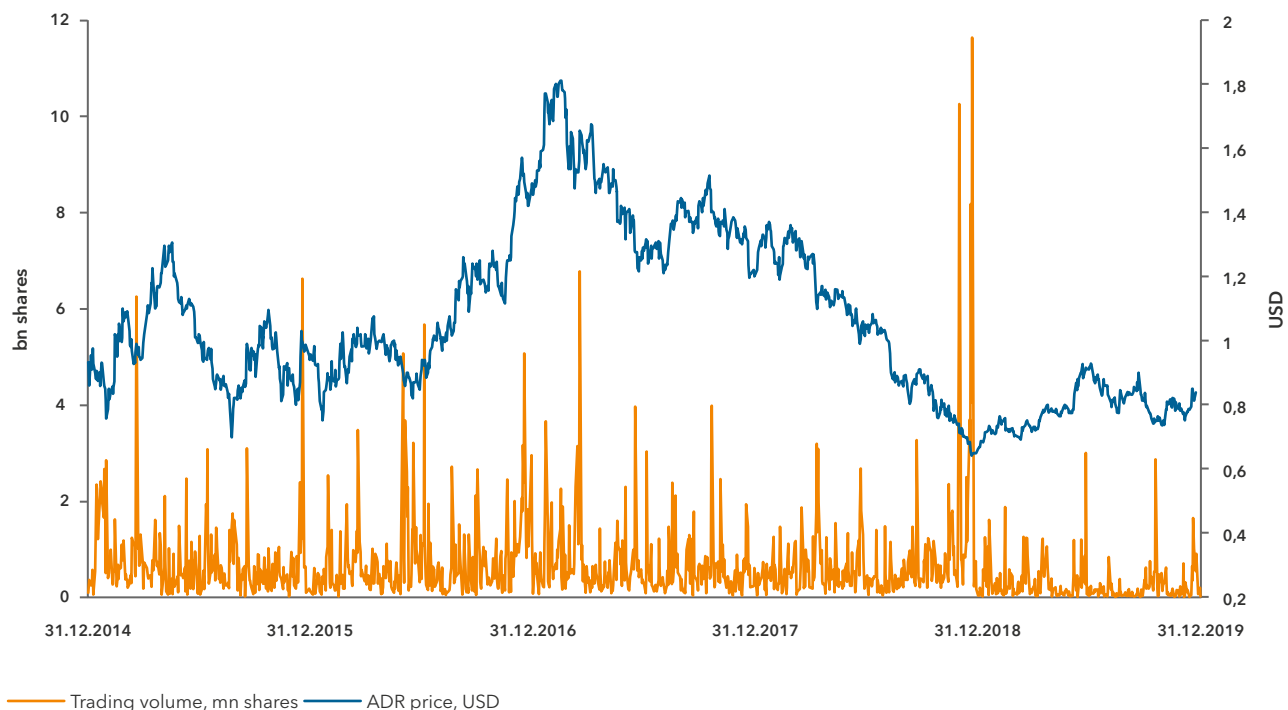
GDR and ADR program structure as at December 31, 2019

Type	Start of trading	Depository bank	Ratio	Ticker	Quantity as at December 31, 2018, pcs	Trading platforms
Rule 144A GDRs	June 17, 2008	The Bank of New York Mellon	1 GDR = 100 ordinary shares	HYDR	78,273	London Stock Exchange (Main Market – IOB)
Level I ADRs	August 7, 2009	The Bank of New York Mellon	1 ADR = 100 ordinary shares	RSHYY HYDR	96,497,012	OTCQX London Stock Exchange

ADR trading on the London Stock Exchange

Item	2017	2018	2019
Currency	USD	USD	USD
Maximum trade price	1.81	1.37	0.93
Minimum trade price	1.20	0.64	0.67
Year-end trade price	1.20	0.66	0.84
Trading volume, mn psc	175	195	68

ADR performance on the London Stock Exchange



Share performance over five years

2015

In 2015, the MOEX Russia Index added 26% and the MOEX Electric Utilities Index rose by 18%, with RusHydro shares growing by 25%. The domestic market was buoyed by positive changes in the global investor sentiment towards assets from emerging markets triggered by sustained monetary loosening pursued by the world's leading central banks and expectations of mid-term recovery in Russia. Additional support for RusHydro's shares came from continued efforts to liberalize capacity sales for Siberian HPPs, results of the capacity auction, rising prices for electricity in the second price zone, commissioning of new generating facilities by the Company, and RusHydro's initiatives to strengthen the financial profile of RAO ES East.

2016

In 2016, the MOEX Russia Index added 27%, the MOEX Electric Utilities Index – 110%, and RusHydro shares grew by 36%. The domestic market was buoyed by the expected recovery of the Russian economy and ruble appreciation in the second half of the year. RusHydro shares grew on the back of high dividend payments, full liberalization of the HPP capacity market in Siberia, as well as overall strong hydro performance thanks to higher water levels. An additional boost to shares was provided by measures to optimize operating and investment expenses, decisions on refinancing the debt of RAO ES East Subgroup by signing a forward contract for RUB 55 bn in equity capital with VTB Bank (PJSC), and full consolidation of the RAO ES East shares for 100% ownership. The shares also benefited from the

disposal of major assets by the Company for a total amount of over RUB 15 bn.

2017

In 2017, the MOEX Russia Index was down 6%, the MOEX Electric Utilities Index – 8%, and RusHydro shares lost 21%. The Russian market faced headwinds in the form of geopolitical risks, which included talks on new US sanctions as well as lower interest in Russian companies on the part of global investors given the stricter monetary policy in the US and oil price volatility. For most of the year, RusHydro's shares traded in line with the market. At the end of the year, the share price was driven down by the news of RusHydro's Board of Directors resolving to suspend the construction of Zagorskaya PSPP-2.

2018

In 2018, the MOEX Russia Index was up 7.8% year-on-year, while the Moscow Stock Exchange Power Index was down 11.4%, with shares in RusHydro losing 33.4%. In 2018, the market value of RusHydro shares decreased against a backdrop of the general lack of investor interest in the electric power industry. In Q1 2018, RusHydro's shares traded in line with the market. From Q2 2018 onwards, the Russian market and RusHydro shares were under pressure from sanctions on RUSAL Group, the biggest power consumer in Siberia and the Group's partner on the BEMO project, geopolitical risks, including talks on introducing new sanctions by the US (DASKA, August 2018), as well as lower interest in emerging market companies with no USD-denominated export revenue on the part of global investors while the US was tightening its monetary policy. Starting mid-October, RusHydro's shares

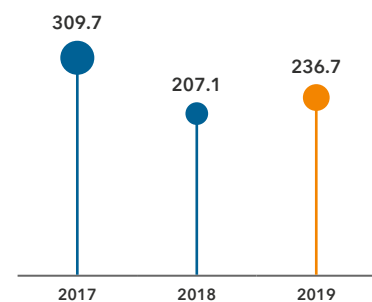
began dropping in price due to investor and analyst expectation of MSCI excluding the Company from its Russia index, which it did in late November 2018.

2019

In 2019, the MOEX Russia Index was up 28.6% and the MOEX Electric Utilities Index rose by 25.0%, with RusHydro's shares adding 14.3%. The domestic share market was buoyed by a favorable external sentiment as global central bankers were embracing the monetary stimulus, while Russia's country risks kept diminishing and its macroeconomic stability was improving endorsed by the Bank of Russia's progressive monetary loosening. Early in the year, the Russian stock market got a major boost from the mitigation of sanction risks, with the U.S. Department of the Treasury lifting sanctions imposed on UC RUSAL, EN+ and EuroSibEnergO on April 6, 2018. RusHydro's shares rallied on the back of a new dividend policy approved by the Board of Directors, strong financial and operating results for 2018, inclusion of four of the Company's Far Eastern projects in a state-run TPP modernization program offering a guaranteed rate of return, and the generally favorable market environment.

Capitalization

RusHydro's market capitalization¹, RUB bn



¹ Source: the official website of the securities market operator (PJSC Moscow Exchange). Market capitalization is calculated as the number of shares of the respective category (type) multiplied by the market price of one share as disclosed by the market operator.

Dividends

RusHydro's dividend policy is focused on supporting the Company's strategic development for the benefit of its shareholders by striking an optimal balance between dividend payouts and profit capitalization.

The Development Strategy of RusHydro Group until 2020 with an outlook for 2025 sets the dividend payout ratio of at least 50% of net profit, and the Company is always going to target the maximum level of dividend yield for its shareholders. [102-44]

In order to enhance the transparency and predictability of dividend payouts, on April 19, 2019, RusHydro's Board of Directors approved an updated version of the Regulations on the Dividend Policy (Minutes No. 287 of April 22, 2019), which sets out 50% of RusHydro Group's IFRS net profit for the respective reporting period as the base rate for calculating dividends. Additionally, the minimum dividend (lower threshold) is set at the level of average dividend payout for the previous three years¹.

The Company's Board of Directors shall provide its dividend payout recommendations to be approved by the General Meeting of Shareholders based on the Company's IFRS net profit and the minimum dividend payout obligation, while also taking into consideration investments in the Group's strategic development and Investment Program, the maximum permissible debt ratio, and recommendations of the Russian Government.

Having considered RusHydro's performance in 2018, the Annual General Meeting of Shareholders resolved on June 28, 2019 to pay out dividends on ordinary shares in the amount of RUB 15.9 bn, or 50% of the IFRS net profit.

Over the past three years, the Group distributed a total of RUB 47 bn in dividends.



Regulations on the Dividend Policy of PJSC RusHydro:
<http://www.eng.rushydro.ru/>



85 bn RUB

dividend paid by RusHydro over 15 years

Information on payment of dividends on the Company's shares in 2018

As at December 31, 2019, the Company had paid out RUB 15.87 bn in dividends, with unpaid dividends amounting to RUB 46.89 mn. The latter was due to reasons beyond the Company's control: the Company or the Registrar (nominal holder) did not have the exact and necessary address details or bank details.

The Company made the dividend payments to the federal budget in full, in the amount of RUB 9.74 bn. The Company has no dividends to the federal budget that are in arrears.

Dividend history for the five years preceding the reporting year

Reporting period for which the dividends were paid	Total amount of declared (accrued) dividends, RUB '000	Amount of dividends declared per share, RUB
2014	6,032,750	0.01561855
2015	15,011,046	0.038863
2016	19,875,503	0.0466245
2017	11,225,676	0.0263335
2018	15,918,514	0.0367388

¹ Average dividend payout for the previous three years is calculated as follows: $Div_{threshold} = (Div_{-year3} + Di_{v-year2} + Div_{-year1}) / 3$

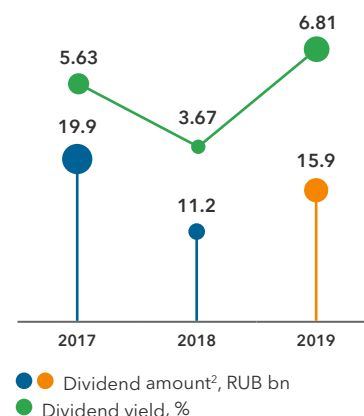
Total shareholder return

In 2017, RusHydro adopted a Long-Term Incentive Plan (LTIP) for the Company's senior management with a three-year total shareholder return (TSR) as the key KPI. In line with the approved LTIP methodology, TSR is calculated as a sum of changes in the market price of shares and the dividend yield for the

reporting period. The target value is considered achieved if the estimated actual indicator grew faster than the MOEX Russia Index over a three-year reporting period.

In 2019, the TSR was 17.2%, while the MOEX Russia Index grew by 25.6% over the same period.

Dividend yield¹



Shareholder and investor relations

During the reporting period, the Company focused closely on maximizing engagement with participants of the exchange market and other stakeholders and improving efficiency of information disclosures. As part of the investor engagement exercise, the Company held:

- more than 200 one-on-one and group meetings with the managers of major international and Russian investment funds;
- Analyst and Investor Day bringing together all Management Board members and key heads of functions;
- four quarterly management conference calls for analysts, investors, rating agencies and business mass media;

— a trip to the Far East for analysts and investors with on-site visits to Blagoveshchenskaya CHPP, DRSK, Bureyskaya HPP and Nizhne-Bureyskaya HPP.

The meetings focused on discussing RusHydro Group's strategic priorities and plans, including those related to the updated dividend policy, inclusion of the four Far Eastern projects in the TPP modernization program with a guaranteed rate of return, implementation of the share value growth initiatives, management efforts aimed at improving operational efficiency, and plans for asset modernization.

For the purpose of liaising with the shareholders, the Company uses the following types of communication:

personal meetings, conferences, call center and e-mail messages.

In 2019, the Company also closely engaged with the leading global analytical agencies seeking to enforce compliance with the sustainable development criteria. Those agencies included:

- CDP (Carbon Disclosure Project);
- Sustainalytics;
- MSCI-ESG;
- FTSE-Russel;
- Vigeo Eiris;
- Robeco-SAM;
- Trucost;
- Energy Intelligence.

For details on assessment of the Company by Russian and international analytical agencies, see [Awards and ratings](#)

Number of inquiries from RusHydro's shareholders recorded by VTB Registrar in 2019

Inquiries by topic	Personal visit to the Registrar's office	Registered mail	E-mail	Phone calls	Phone inquiries as percentage of total phone calls
Dividend distribution	-	78	104	3 620	70%
Inheritance registration	359	34	-	259	5%
Changes in account details	2,490	102	-	517	10%
Purchase / sale / gratuitous transfer of shares	443	14	-	259	5%
Inquiries about the number of securities	590	123	-	517	10%
Inquiries from notaries (to register inheritance deeds)	-	1,046	-	-	-

¹ The dividend yield is calculated upon the adoption of the resolution on the size of the annual dividend by dividing the annual dividend per one share by that share's median market price in the reporting period (dividends - PJSC Moscow Exchange, <http://moex.com>).

² The share of IFRS net profit allocated for dividends in 2016-2018 was 50%.