

Schedule  
to Order of RusHydro  
No. 898 dated December 21, 2017  
(as amended by orders No. 689 dated  
September 12, 2018, and No. 1018 dated  
December 27, 2018)

**THE RULES OF OPERATION OF THE HOTLINE  
OF RUSHYDRO GROUP**

Moscow  
2017

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## **1. Definitions and Interpretation**

<b>Company</b>	RusHydro
<b>CCs</b>	Controlled companies of RusHydro
<b>RusHydro Group</b>	RusHydro and its controlled companies
<b>Employee</b>	An individual who is in an employment relationship with the Company/a CC.
<b>Risk Control and Management Department</b>	The Company's Risk Control and Management Department
<b>Ethics Commission</b>	A permanent collegial body of the Company/a CC whose purpose is to ensure that employees comply with corporate ethics and to minimize/eliminate risks associated with the possible occurrence of a conflict of interest in the Company/CC.
<b>Applicant</b>	An individual and/or a representative of a legal entity and/or another subject of civil legal relations who has sent an Appeal via the Hotline.
<b>Counterparty</b>	Any Russian or foreign legal entity or individual with which the Company/CC enters into contractual relations, with the exception of labor relations.
<b>Conflict of interests</b>	A situation where an employee's personal interests (direct or indirect) affect or may affect the due objective and impartial performance of his/her job duties and which results or may result in a conflict between the employee's personal interests and the rights or legitimate interests of the Company/CC which could lead to the violation of the rights or legitimate interests of the latter.
<b>Corporate fraud</b>	The action or inaction of the employees of the Company/CCs for the purpose of personal gain to the prejudice of the Company/CCs and/or causing intangible damage by deception, abuse of trust, misrepresentation or otherwise (by distorting financial statements or committing corruption offences, as well as stealing or abusing the assets of the Company/CCs).
<b>Corruption</b>	Abuse of an official position, giving a bribe, accepting a bribe, abuse of authority, commercial bribery or other unlawful use by an individual of his/her official position against the legitimate interests of the Company/CC in order to obtain benefits in the form of money, valuables,

other property or property-related services, or other property rights for themselves or for third parties, or the unlawful provision of such benefits to the said person by other individuals. Corruption also includes the commission of the listed acts on behalf of or in the interests of the Company/CC (clause 1 of Article 1 of Federal Law of the Russian Federation No. 273-FZ dated December 25, 2008, "On Combating Corruption" (hereinafter, the Law on Combating Corruption)).

**Corruption offense**

An illegal culpable offence (action or inaction) possessing the signs of corruption for which the law establishes responsibility.

**Anti-Corruption  
Hotline**

A set of organizational measures and technical tools (including specialized communication channels) that provide an opportunity for employees, representatives of contractors, and other persons to submit reports on signs and facts of fraud, corruption, theft and misuse of the property and assets of the Company/CCs, the presence of a conflict of interest among employees and contractors, violations of procurement procedures regarding goods, works and services, and other violations of the legislation of the Russian Federation and the bylaws (acts) of the Company/CCs in the RusHydro Group.

**Personal interest**

The possibility of the receipt of income in the form of money, other property, including property rights, property-related services, work results or any benefits (advantages) by an employee and/or persons closely related to him/her or having a close affinity with him/her (parents, spouses, children, siblings, as well as spouses' siblings, parents and children and spouses of children) or by citizens or organizations with which the employee and/or persons closely related to him/her or having a close affinity with him/her are interlinked by property, corporate or other close relationships.

**Persons who have  
close affinity (with an  
employee)**

Spouse's siblings, spouse's parents, spouse's children, and spouses of children.

**Personal gain<sup>1</sup>**

The interest of an employee and/or persons closely related to him/her or having a close affinity with him/her in obtaining intangible gains and other intangible benefits.

**Material benefit**

Economic benefit in cash or in kind which can be assessed

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<sup>1</sup> Promotion and announcement of gratitude are not considered personal gains

and defined as income in accordance with the tax laws of the Russian Federation.

<b>Standards of corporate ethics</b>	<b>of</b> Ethical principles and rules of conduct for employees established by the Code of Corporate Ethics of RusHydro.
<b>Call</b>	A proposal, statement or complaint directed by an employee or a representative of a contractor to the Hotline orally (by phone), in writing, or in the form of an electronic document
<b>Prevention of corrupt practices</b>	The Company's activities aimed at introducing elements of corporate culture, organizational structure, rules and procedures regulated by bylaws (acts) that ensure prevention of corruption offenses.
<b>Pre-conflict situation</b>	A situation in which the personal interest of an employee, in the exercise of certain official duties in the future, may lead to a conflict of interest
<b>Anti-corruption practices</b>	The activities of federal governmental authorities, governmental authorities of the subjects of the Russian Federation, local authorities, civic institutions, organizations and individuals within their powers (Clause 2, Article 1 of the Law on Combating Corruption): <ul style="list-style-type: none"><li>– for the prevention of corruption, including the identification and subsequent elimination of the causes of corruption (prevention of corruption);</li><li>– for the identification, prevention, suppression, disclosure and investigation of corruption offenses (combating corruption);</li><li>– for the minimization and/or elimination of the consequences of corruption offenses.</li></ul>
<b>Requirements for the prevention and/or resolution of conflicts of interest</b>	Requirements for employees to prevent and/or resolve conflicts of interest established by the legislation of the Russian Federation and the bylaws of the Company (including the Anti-Corruption Policy of RusHydro and the Regulation on the procedure for the prevention and resolution of conflicts of interest in RusHydro)
<b>Family members and close relatives (closely related persons)</b>	Spouses, children (adults and minors), parents, siblings.

## 2. Main Provisions

2.1. The **Hotline** was created as part of activities for combating corruption and for detecting and preventing cases of fraud and illegal actions in the RusHydro Group.

2.2. The main goals of the **Hotline** are:

- to increase the effectiveness of measures aimed at preventing corrupt practices, corporate fraud and theft in the RusHydro Group;
- to reduce/minimize the risks/consequences arising from the violation of corporate ethics and/or requirements for the prevention and/or resolution of conflicts of interest by employees;
- to ensure the transparency of the RusHydro Group's activities;
- to create conditions for the detection of corrupt practices, corporate fraud and theft by involving employees, contractors and other persons in the process of preventing these violations.

2.3. The rules of operation of the **Hotline** of the RusHydro Group (hereinafter referred to as the Rules) are intended for the organization of the reception, consideration, taking of appropriate measures (if necessary) and preparation of responses to the appeals of Applicants, including on the following matters:

- commission of corruption offenses by employees;
- inducement of employees to commit corruption offenses;
- corporate fraud and theft in the Company/CCs;
- violations by employees of corporate ethics, requirements for the prevention/resolution of conflicts of interest;
- disclosure and misuse by employees of information constituting a trade secret;
- other violations of the legislation of the Russian Federation and/or bylaws (acts) of the Company/CCs.

2.4. The Company guarantees the Applicant the confidentiality of information contained in the appeal, as well as information related to the private life of a citizen. Sending inquiries to the divisions of the Company/CCs whose competence includes the resolution of the issues raised in the appeal is not a disclosure of the information contained in the appeal.

2.5. If necessary, an employee who reports facts of unlawful actions that have become known to him/her is guaranteed protection within the framework of the current legislation of the Russian Federation and the bylaws of the Company/CCs.

### **3. Reception and consideration of appeals**

3.1. Appeals to the **Hotline** are accepted by the Company around the clock via the following communication channels:

3.1.1. E-Mail: [ld@rushydro.ru](mailto:ld@rushydro.ru).

3.1.2. A special feedback form placed:

- on the Company's official website: <http://www.rushydro.ru/> (click "Hotline" and fill in the fields of the special feedback form);
- The corporate portal of the Company: <https://my.rushydro.ru/helpful/pubrec/default.aspx> or on the Company's website at the address, then click on the link "Hotline" and fill in the fields of the special feedback form).

3.1.3. Telephone answering machine (call +7 (495) 785-09-37 (24 hours), wait for the signal to start recording and leave a verbal message).

3.1.4. Stationary Hotline boxes installed in the Company's office buildings.

3.1.5. Sending an appeal by Russian Post.

3.1.6. A personal meeting with the internal control and risk management director/chief auditor (hereinafter referred to as a Meeting):

3.1.6.1. An application for a meeting can be sent via the communication channels specified in Clauses 3.1.1 - 3.1.3 of these Rules or through his assistant by phone at + 7 (495) 225-3232 ext. 44-01.

3.1.6.2. In the application for a meeting, the topic of the appeal, contact information and the preferred time and place<sup>2</sup> of the meeting should be specified.

3.2. The Appeal may be sent in any form specified in Clause 3.1 of these Rules that is convenient for the Applicant.

3.3. In order to speed up the processing and consideration of the appeal, the Applicant is advised to indicate the following information in it:

- the name of the Company's division and its branch or the CC in which the violation occurred;
- the field of activities of the Company/CC in which the violation occurred;
- a brief description of the nature of the appeal (information, facts, circumstances, possible reasons, the full name of the persons involved, the consequences, including possible (estimated) material damage to the Company/CCs, recommendations, etc.);
- the time period in which the violation occurred/is occurring or is likely to occur, frequency (constantly, one-time);
- full name and contact information of the Applicant for clarifying the information contained in the appeal and sending a response on the results of the consideration of the appeal;
- if necessary, the Applicant may attach supporting documents and materials or copies thereof to the appeal in order to confirm his/her arguments.

3.4. An Appeal to the **Hotline** may be sent anonymously.

3.5. Appeals prepared and sent in violation of the requirements of these Rules or received anonymously shall be considered at the discretion of the Internal Control and Risk Management Director/chief auditor of the Company, taking into account the limiting criteria established by Clause 4.2 of these Rules.

3.6. The applicant has the right to receive a response to his appeal, provided that it was properly prepared and sent in accordance with the requirements of Clauses 3.2, 3.3, 4.1 and 4.2 of these Rules within the terms established by the bylaws (acts) of the Company.

3.7. The unit responsible for organizing the process of receiving, recording, considering and sending answers to the Applicants is the Risk Control and Management Department.

3.8. The functional units/divisions/managers of the Company/CC whose competence/duties include<sup>3</sup> consideration of the matters specified in the appeal shall be responsible for the consideration of appeals on the merits and the preparation of responses to Applicants.

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<sup>2</sup> Including outside the administrative office of the Company.

<sup>3</sup> In accordance with the bylaws (acts) of the Company/CCs

3.9. The procedure for consideration of appeals received via the **Hotline** and the preparation of responses to them shall be determined by the Regulations on the procedure for receiving, considering and preparing responses to appeals received on the **Hotline** of the Company (Schedule to these Rules).

3.10. Appeals related to matters of the violation of corporate ethics by employees and demands to prevent/resolve conflicts of interest shall be submitted by the Risk Control and Management Department to the relevant Ethics Commission of the Company/CC, where they shall be considered in the manner established by the bylaws (acts) of the Company/CC.

3.11. The objectivity of the **Hotline** is ensured by the fact that the information received is considered solely by persons who are not participants in the process in question, which allows them to objectively and independently organize the verification process and draw conclusions on the established facts, while continuously complying with the requirements of the current legislation and bylaws of the Company/CC.

3.12. If a substantive answer to a question raised in an appeal cannot be given without disclosing information constituting state secret or trade secret, the Applicant who sent the appeal may be informed that it is impossible to give a substantive response to the question raised in connection with the inadmissibility of the disclosure of the said information.

3.13. In the case of a positive economic, social or reputational effect on the Company/CCs, including the prevention of damage, as a result of the consideration of appeals received on the **Hotline**, a decision may be made to reward Applicants, unless the appeal is sent anonymously.

3.14. The decision on the rewarding of Applicants and its form and amount shall be made by the Management Board of the Company on the recommendation of the Internal Control and Risk Management Director/chief auditor of the Company, taking into account the magnitude and significance of the effect achieved for the Company/CC.

#### **4. Restrictions on the use of the Hotline**

4.1. It is prohibited to use the **Hotline** for the following purposes:

- dissemination of information known to be false or defamatory to the honor and dignity of employees, as well as members of their families and close relatives;
- insulting or threatening the life, health and property of employees, as well as members of their families and close relatives.
- unfair competition;
- pursuit of hooliganism;
- pursuit of other unlawful goals or goals contrary to the fundamentals of the rule of law and morality;
- dissemination of information related to advertising and information not directly related to the activities of the Company/CC.

4.2. Limiting criteria for the consideration of appeals received on the **Hotline** are:



4.2.1. Mass mailing of appeals by Applicants to users by e-mail (spam), as well as sending advertising messages.

4.2.2. The impossibility of unambiguously identifying the data/information/knowledge contained in the appeals of the Applicants, as well as the inconsistency of the information contained in the appeals with the purposes of the operation of the **Hotline** as defined in Clause 2.1 of these Rules.

4.2.3. The presence of unreadable characters in the appeals of the Applicants, empty feedback forms (no attached files/no access to attached files).

4.2.4. The presence in the appeals of Applicants of issues relating to personnel employment, making an appointment, receiving background information, confidential information/information that is a state secret and/or trade secret of the Company/CC.

4.2.5. The presence in the appeals of Applicants of issues that cannot be assessed for correctness/adequacy/materiality/relevance, as well as the absence in the content of the appeals of all essential aspects and necessary information.

4.2.6. The presence in the appeals of requests for sponsorship or charitable and/or other material assistance.

4.2.7. The presence in the appeal of an Applicant of a question which has been substantively replied to in writing in connection with a previously sent appeal, if the appeal does not provide new arguments and/or circumstances.

4.2.8. Irrelevance/insignificance for the Company/CC of the information contained in the appeals of Applicants, established on the basis of professional judgments based on collected audit evidence, revealed cause-and-effect relationships and/or established perpetrators, damage assessment and/or established consequences of actions/inactions, including those of the employees of the Company/CC indicated in the appeals of the Applicants.

4.2.9. The presence in the appeals of Applicants of information not related to the field of activity and competence of the Company/CC.

4.3. Anonymous messages received on the Hotline shall be accepted for consideration if they contain specific information about facts or signs of fraud, corrupt acts, thefts, or other criminal attacks on the property of the Company/CC and/or the business reputation of the latter.

## 5. Final provisions

5.1. These Rules shall be approved by the Chairman of the Management Board and General Director of the Company.

5.2. These Rules are subject to mandatory publication in the "Hotline" section of the Company's corporate portal at <https://my.rushydro.ru/helpful/pubrec/default.aspx> and on the Company's website at <http://www.rushydro.ru/>.

5.3. CCs shall ensure the publication on their official websites of the links to information related to the operation of the **Hotline** posted on the Company's website at <http://www.rushydro.ru/>.

5.4. The Internal Control and Risk Management Director/Chief Auditor of the Company is responsible for keeping the information contained in these Rules up to date.

5.5. Questions on the implementation of these Rules or the operation of the **Hotline** may be sent to the email address: [ld@rushydro.ru](mailto:ld@rushydro.ru).