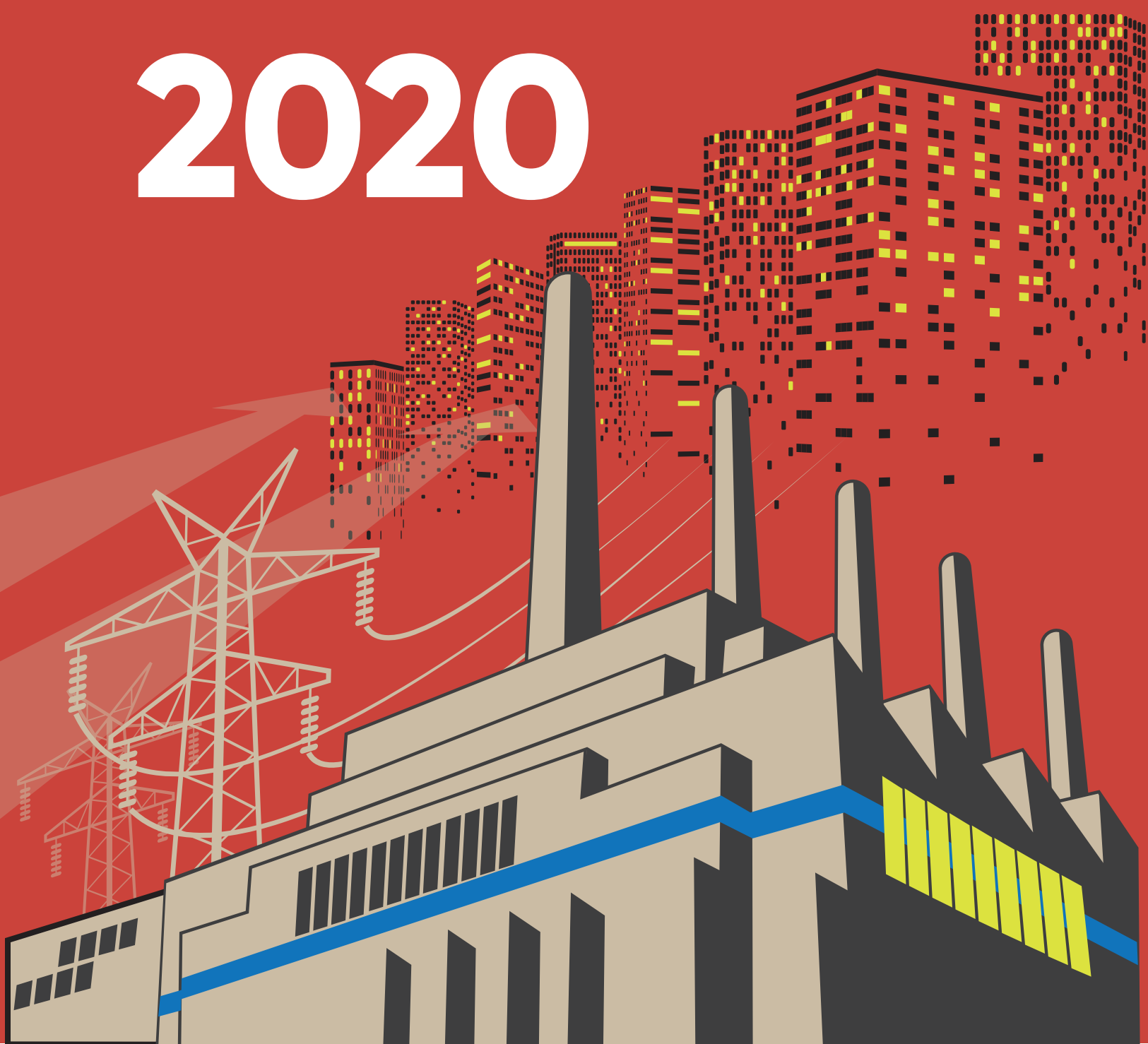




# ANNUAL REPORT 2020



## Disclaimer, Concerning Responsibility for Forward Looking Statements

This 2020 Annual Report (hereinafter, the "Annual Report") has been prepared using the information available to Second Generating Company of the Electric Power Wholesale Market, Joint Stock Company (hereinafter also referred to as "OGK-2", or the "Company") at the moment of executing thereof. Names of branches of OGK-2 JSC are also mentioned as: Adlerskaya TPP, Groznenskaya TPP, Kirishskaya GRES, Krasnoyarskaya GRES-2, Novocherkasskaya GRES, Pskovskaya GRES, Ryazanskaya GRES, Serovskaya GRES, Stavropolskaya GRES, Surgutskaya GRES-1, Troitskaya GRES, Cherepovetskaya GRES, Svobodnenskaya TPP. Some statements included to this Annual Report are statements including forecasts for future events.

Words such as "plans", "will be", "expected", "will take place", "estimates", "will total", "will occur", and the like are forecasting by nature. Investors shall not fully rely upon the

estimates and forecasts as they imply a risk of contradiction to reality. For this reason, the Company warns that the actual results or course of any events may significantly differ from any forecast statements included to this Annual Report.

Except as otherwise provided by the applicable laws, the Company does not assume any liability as to revising or confirming any expectations and estimates or publishing any updates and changes of forecast statements of the Annual Report resulting from any subsequent events or any new available information.

Information about the Company's management is provided subject to Federal Act No. 152-FZ "About Personal Data" dated July 27, 2006.

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# GOVERNMENTAL PROGRAM ON COMPETITIVE CAPACITY TAKE-OFF

## FOR RENEWAL

In 2019, Gazprom Energoholding LLC launched a new investment cycle: OGK-2 will renew “outdated” capacities in the Leningrad Region and Khanty-Mansi Autonomous Okrug – Yugra in the scope of the CCTMod program<sup>1</sup>.

<sup>1</sup>Decree of the Government of the Russian Federation No. 1713-r dated August 02, 2019 and No. 232-r dated February 07, 2020 “On the List of Generating Facilities, whose Capacity is Supplied under Capacity Sale (Supply) Agreements of Renewed Generating Facilities” (hereinafter, the CCTMod facilities).

In 2020, under the CCTMod program, OGK-2 participated in another selection of projects on generating equipment renewal for 2025.

Following the results of filing an application for 2025, three projects

of OGK-2 for turbine renewal at Kirishskaya GRES and Surgutskaya GRES-1 with a total capacity of 470 MW have passed a competitive selection. The projects involve partial renewal of PT-60 turbine at station No. 4 at Kirishskaya GRES (into PT-65)

and comprehensive replacement of K-215 turbines under station No. 13 and station No. 16 at Surgutskaya GRES-1 with T-190 and K-215 turbines, respectively.

**470 MW of total capacity of the turbine renewal at Kirishskaya GRES and Surgutskaya GRES-1 under the CCTMod program for 2025.**

Since the generating equipment at OGK-2 JSC is in demand in the electricity and capacity market, and its parameters comply with the

conditions for participation in the CCTMod program, the Company has arranged continuous activities to execute projects for participation

in competitive take-offs during subsequent periods.

**GENERAL INFORMATION ON THE OBLIGATIONS FULFILMENT WITH REGARD TO THE CCTMOD FACILITIES**

**(BY THE ORDER OF THE GOVERNMENT OF THE RUSSIAN FEDERATION)**

	FACILITY LOCATION	INSTALLED CAPACITY	INSTALLED CAPACITY	DATE WHEN CAPACITY SUPPLY TO THE WHOLESALE MARKET STARTS
		BEFORE RENEWAL (MW)	AFTER RENEWAL (MW)	
<b>OGK-2 JSC</b>		<b>600.0</b>	<b>595.0</b>	
CCTMod 2025	Surgutskaya GRES-1 13G Turbine	215.0	190.0	July 01, 2025
CCTMod 2025	Surgutskaya GRES-1 16G Turbine	215.0	215.0	July 01, 2025
CCTMod 2022-2024	Kirishskaya GRES TG-1t	50.0	60.0	July 01, 2024
CCTMod 2022-2024	Kirishskaya GRES TG-2t	60.0	65.0	July 01, 2022
CCTMod 2025	Kirishskaya GRES TG-4t Turbine	60.0	65.0	July 01, 2025

**REPORT ON CCTMOD FACILITIES FOR 2020**

Project Name	Project Information for the Reporting Period	
	Financing (VAT inclusive) (RUB mln)	Implementation (ex VAT) (RUB mln)
	Actual for 12 months of 2020	
Kirishskaya GRES TG-1t	292.1	57.3
Kirishskaya GRES TG-2t	255.5	234.9
Kirishskaya GRES TG-4t Turbine	0.0	0.0
Surgutskaya GRES-1 13G Turbine	0.0	4.5
Surgutskaya GRES-1 16G Turbine	0.0	3.8
<b>Total at OGK-2 JSC</b>	<b>547.6</b>	<b>300.6</b>



# Key INNOVATION

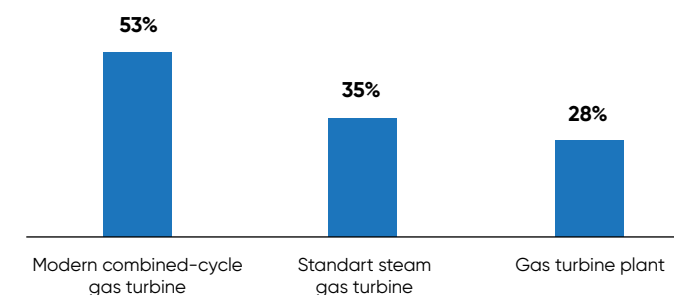
# PROJECTS

Combined-cycle gas turbines help to significantly reduce fuel consumption per unit of delivered electricity, which, in turn, allows for decreasing emissions of harmful substances into the atmosphere.

During the CSA program implementation 6 combined-cycle plants were installed at power plants, which made it possible to achieve an electrical efficiency of more than 50% versus 35% for steam power units operating separately and 28% for gas turbine units.

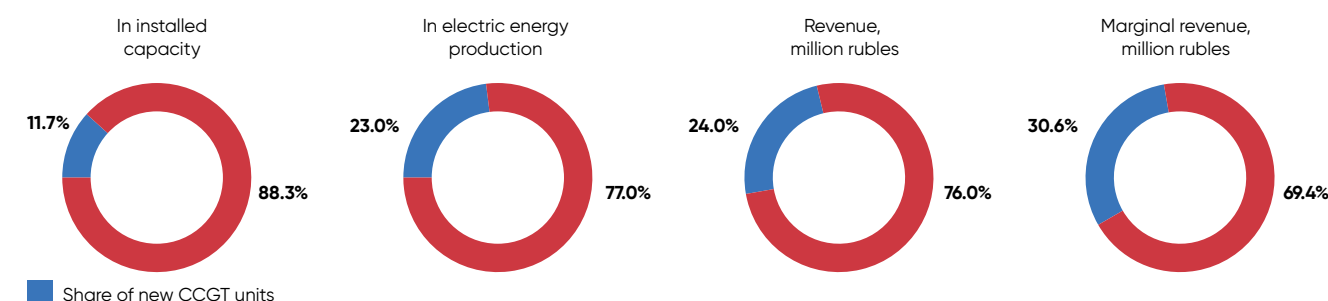
On September 01, 2020, GTE-110 gas turbine of in the power unit under station No. 7 at Ryazanskaya GRES was removed from service, which resulted in a number of CCGT decreasing to 5.

## EFFICIENCY FACTOR

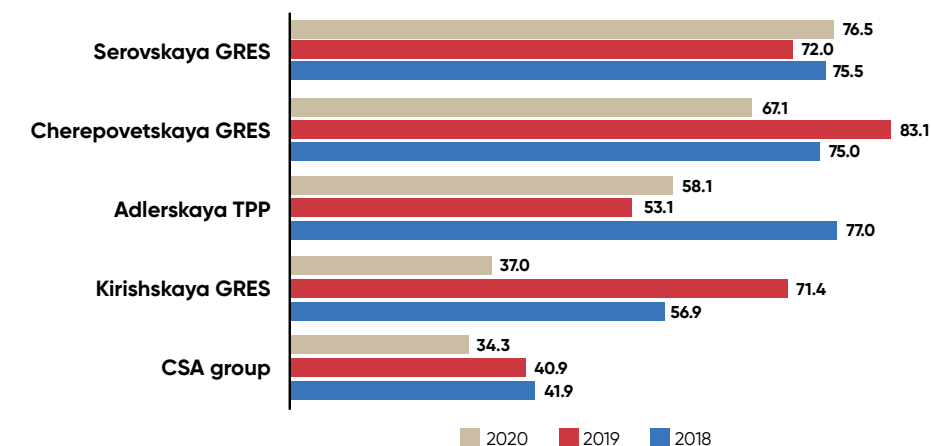


Due to the CSA commissioning at some facilities (Cherepovetskaya GRES (CCGT-450), Serovskaya GRES (CCGT-450) ICUF was over 65% in 2020. There is an upward trend in SRFC for electricity supply due to a decrease in the average electricity load.

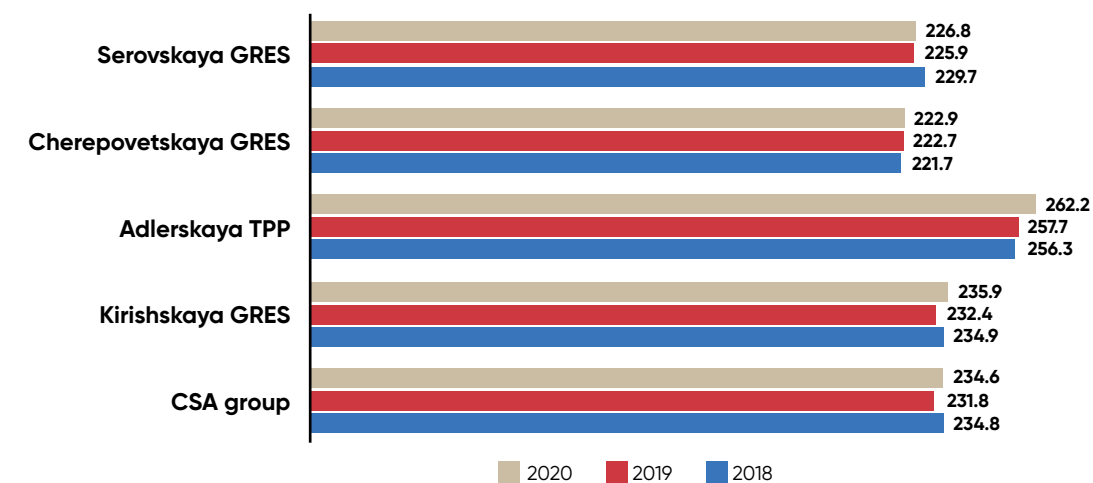
## SHARE OF NEW CCGT UNITS



## CSA ICUF, %



## CSA SRFC, G/KW\*H



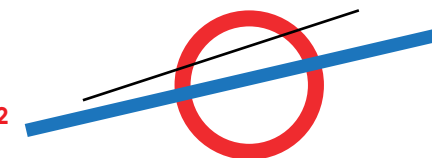
# ENVIRONMENTAL

# PROTECTION

The basis of the sustainable development strategy of OGK-2 is environmental safety, parity of economic, social and environmental values.

OGK-2 operations are directly related to the use of natural resources and the impact on the environment. In this regard, the Company takes all possible measures to minimize its harmful impact on the environment and allocates significant funds to implement relevant measures.

Since October 1, 2020, due to the transfer of operative management of Krasnoyarskaya GRES-2 to the Siberian generating company, OGK-2 JSC has significantly reduced its operations impact on the environment.



**481,978** ▲ are the costs for environmental protection  
thousand rubles

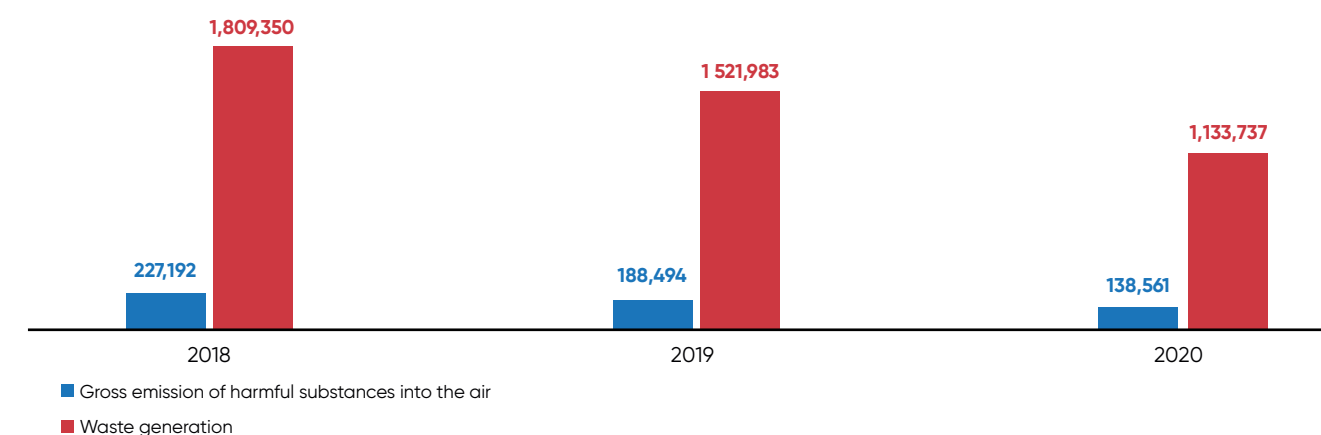
**12%** ▼ reduction of the fee for adverse environmental impact

**26.5%** ▼ reduction in gross pollutant emissions to the atmosphere

**25.5%** ▼ reduction in wastes generation

The decrease in the pollutants mass is due to reduced electricity generation compared to 2019, as wastewater disposal to water bodies have also decreased.

POLLUTANT EMISSIONS AND WASTE GENERATION, T





# High standards of social policy,

## LABOR PROTECTION AND SAFETY

Our goal is the creation of an organizationally effective company with a transparent corporate governance system, providing its employees the opportunity to maximize their potential.

*"We strive to create the best possible working environment for each employee, help them fulfil their professional potential and provide a decent level of welfare and benefits. The new Collective Agreement serves as legal confirmation of socially responsible policy pursued by OGK-2"*

**Artyom Semikolenov, Managing Director of OGK-2 JSC**

On the eve of the Energy Worker's Day and New Year's holidays, a milestone event took place at OGK-2 JSC – a new Collective Agreement for the period from 2021 to 2023 was signed and took effect as from January 1, 2021.

The goal of developing contractual relations between the parties to social partnership is exercising social and economic rights and guarantees of employees, increasing the efficiency and productivity of labor, improving the quality of work, complying with labor and technological discipline, labor protection requirements, safety precautions and industrial sanitation.

**Total spending on training, retraining, professional development and short-term educational programs for the Company's employees amounted to more than 45 million rubles**

OGK-2 constantly implements the process of hazard identification and risk assessment to determine the management measures required to reduce the risks of accidents/incidents/injuries. The main purpose of the risk assessment process is to recognize and understand the dangers that may be associated with the Company's operations, and

to ensure that the risks associated with such dangers are assessed, ranked and managed in a way that allows them to be kept at the most acceptable level, ensuring compliance with industrial safety requirements.

**No accidents were recorded at OGK-2 in 2020**

**In 2020 13 teams took part in OGK-2 labor and industrial safety youth tournament.**

## Address by the Chairman of the Board of Directors of OGK-2 JSC



### Dear shareholders,

In 2020, OGK-2 JSC overcame with dignity all the challenges associated with the difficult epidemiological situation; the Company's power plants operated in a continuous mode, providing for a full-fledged power supply to consuming enterprises involved in the fight against coronavirus infection, medical institutions and critical infrastructure facilities in the regions of our operations.

Efficient management and stable operation of the power plants had a positive influence on the Company's financial performance: net income according to IFRS grew by more than 10% and there was an increase in operating profit and EBITDA.

In the reporting year, the implementation of the scheduled key projects continued. The construction of Svobodnenskaya TPP to be operated by OGK-2 proceeded in accordance with the developed schedule. In December 2020, natural gas from "Power of Siberia" gas pipeline was provided into the plant for pre-commissioning works, and as early as the second half of April 2021, steam supply to the Amur Gas Processing Plant began. Works are still being performed to renew the heating section at Kirishskaya GRES, and design works are underway on Units Nos. 13 and 16 at Surgutskaya GRES-1 under the new state-run capacities renewal program. We intend to participate in future competitive selection procedures, involving other generating facilities operated by OGK-2 JSC.

In 2020, strategically significant deals were entered into. For example, Adlerskaya TPP was transferred to the Company's ownership, that will reduce costs incurred in the course of the energy facility operations. What is more, in the second half of 2020, the sale of Krasnoyarskaya GRES-2 was completed, and a new owner has been operating the plant since October 2020. A reduction in the share of coal-fired generation by OGK-2 had a positive influence on the level of environmental impact, particularly in terms of emission of pollutants into the air and generation of ash and slag waste.

Within the scope of the inefficient equipment decommissioning strategy, the Company reduced the amount of coal combusted by 31%, gas – by 15% and fuel oil – by 19%. As a consequence, greenhouse gas emissions decreased by almost 20% compared to 2019. The results achieved confirm the Company's commitment to purposeful activities in the environmental segment.

Major international rating agencies also acknowledge the financial soundness and reliability of OGK-2 operated by Gazprom. Thus, in 2020, Fitch enhanced the outlook of OGK-2 JSC from Stable to Positive for long-term IDRs in foreign and local currencies at BBB- level. Short-term ratings in foreign and local currencies were confirmed at the F3 level. Furthermore, the long-term rating of priority unsecured bonds in national currency at BBB- level was confirmed in respect of the bonds of OGK-2 JSC. Expert RA enhanced the creditworthiness rating of OGK-2 JSC at ruAAA level with the Stable outlook.

OGK-2 JSC is ranked among the leaders in the electric power market, demonstrating strong financial performance. The Company's management makes efforts to ensure sustainable and efficient operations, that is reflected in the financial performance and allows for steadily increasing dividend payments in the interests of the shareholders. Together, we will continue implementing the strategy of Gazprom in the electrical energy industry, approved till 2027, strengthening our competitive advantages!

*Chairman of the Board  
of Directors of OGK-2 JSC  
D. V. Fedorov*

## Address by the Managing Director of OGK-2 JSC



### Dear shareholders,

2020 was a challenging year for the entire domestic energy industry and the country in whole. OGK-2 JSC successfully ensured the operation of power facilities without losing momentum and despite the epidemiological obstacles. Last year was marked by the 15th anniversary of OGK-2. Over the years of its operation the Company originally established on the basis of five power plants, has transformed into one of the country's largest energy holdings, while increasing efficient capacities, implementing work-improvement projects and initiatives and striving for new achievements.

Our company has expanded its territorial boundaries by one more region. The new power facility to be operated by OGK-2, Svobodnenskaya TPP, provides for new jobs and a reliable power supply to the Amur Gas Processing Plant – a highly significant project for Gazprom.

We continue implementing key investment projects. Between 2020 and 2025, Kirishskaya GRES is undergoing a large-scale renewal of the power plant's heating section. This is necessary to provide for the supply of thermal energy in the form of hot water and steam to consumers in the long term. The project will ensure a reliable supply of heat to the region's petrochemical cluster. A substantial volume of work has already been performed as part of the reconstruction of TG-2T turbine rated at 60 MW. In 2021, the main equipment for this facility will be delivered, and in 2022, it will be commissioned.

In 2020, we proceeded to an active phase of the construction of the start-up and heating boiler plant at Troitskaya GRES, which will become a major step towards optimizing production and decommissioning inefficient assets that have exhausted their lifespan. This will undoubtedly have a positive impact on the environmental situation in the region.

In confirmation of the company's contribution to environmental protection, OGK-2 was ranked third in the World Wildlife Fund's (WWF) rating of environmental information transparency among generating companies operating in the territory of Russia. Leadership in such a rating is a quality mark that reflects the Company's social and corporate responsibility and demonstrates conscious use of natural resources and environmental friendliness. Our environmental policy is based on the principles of safety, reliability, efficiency and transparency. The environmental management system at OGK-2 is of a high level, and we will undoubtedly continue to improve in this area.

High production and financial performance achieved by OGK-2 is the result of endeavors undertaken by thousands of people who work in different parts of our country – from the Far Eastern to the North-Western Federal Districts. The Company creates the most comfortable conditions for each employee and provides for a decent level of welfare and benefits. At the end of 2020, we signed a new Collective Agreement for the period from 2021 to 2023. Today, we are implementing high standards of social policy, and I am

grateful to all our employees for their highly professional work.

The management of OGK-2 is focused on solving tasks that will ensure the growth of the Company's capitalization and investment attractiveness, and are strategically important for enhancing the quality, reliability and efficiency of power supply to consumers. Currently, OGK-2 has a strong resource base, professional management of production processes, and a highly involved workforce. We will continue pursuing our strategic course aimed at increasing the Company's financial performance and shareholder value!

*Managing Director of OGK-2 JSC  
A. V. Semikolenov*



# 1. STRATEGY REPORT

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We walk.  
We run.  
We hurry.  
Leaving our traces in history.  
With endless spin of powerful turbines.  
We turn DARK into LIGHT.

We dream.  
We aspire.  
We reach.  
We generate optimism.  
Energy specialist is the most important job.  
For ENERGY is our LIFE.

**Alina Karpova,**  
Head of sanitary-industrial laboratory  
of Serovskaya GRES



**17,608** MW

INSTALLED ELECTRIC CAPACITY

**2,826.7** Gcal/h

INSTALLED THERMAL CAPACITY



**4.2** %

COMPANY'S SHARE IN THE POWER GENERATION  
BY THERMAL ELECTRIC POWER STATIONS OF RUSSIA

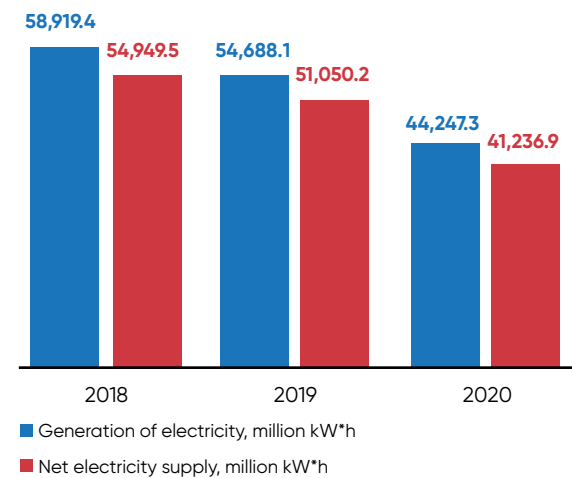


## 1.1 Information About the Company

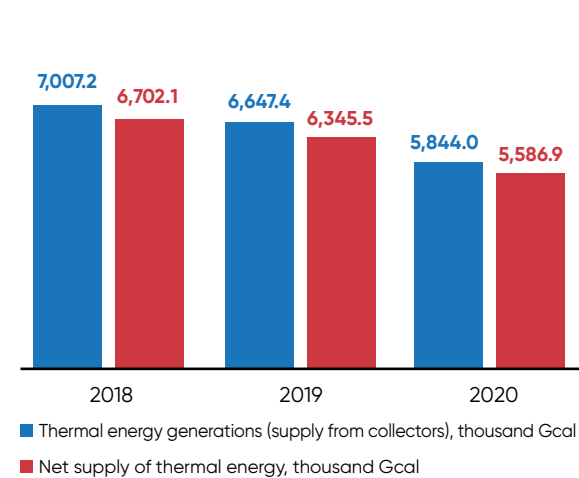
### KEY PERFORMANCE INDICATORS

#### PRODUCTION RESULTS <sup>2</sup>

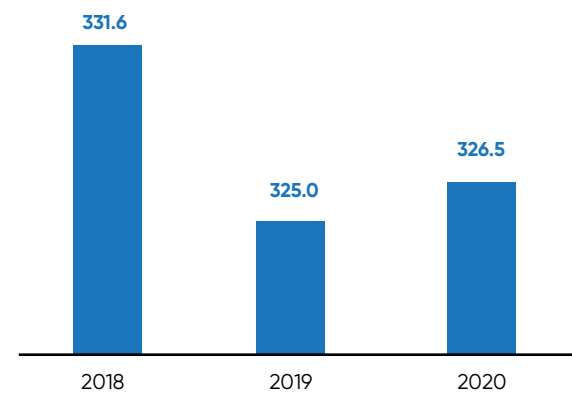
##### GENERATION AND NET SUPPLY OF ELECTRICITY



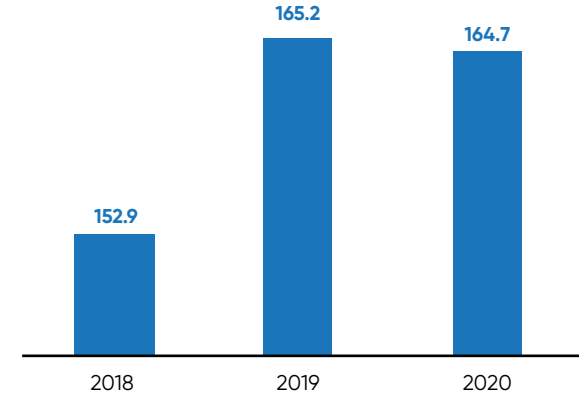
##### GENERATION AND NET SUPPLY OF THERMAL ENERGY



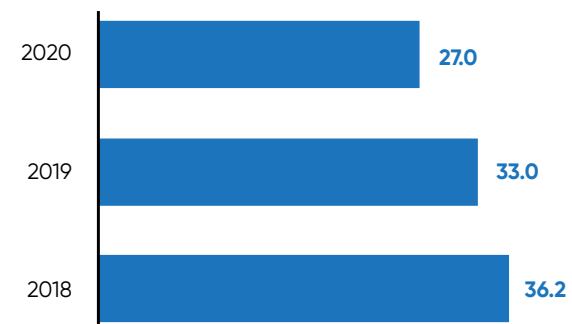
##### SRFC FOR ELECTRICITY SUPPLY, G/KW\*H



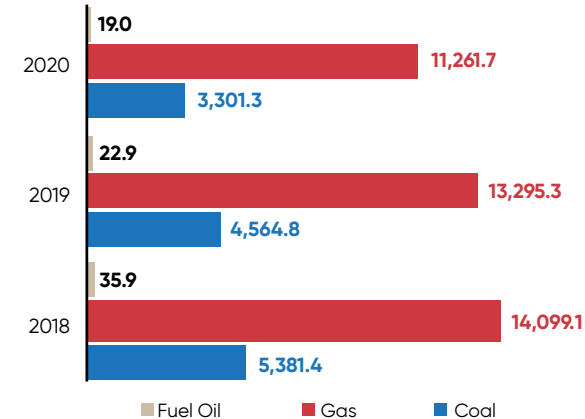
##### SRFC FOR THERMAL ENERGY SUPPLY, KG/GCAL



##### ICUF, %



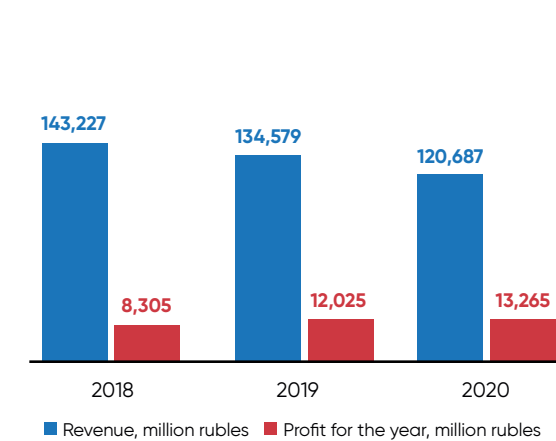
##### FUEL CONSUMPTION, THOUSAND TONS OF STANDARD FUEL



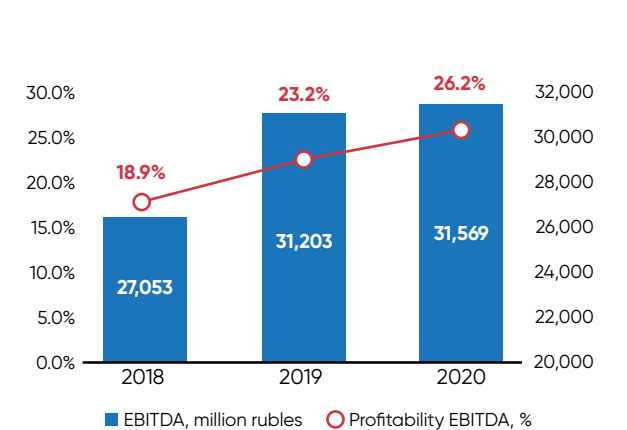
<sup>2</sup> According to management reports.

#### FINANCIAL RESULTS ACCORDING TO IFRS

##### REVENUE, NET PROFIT

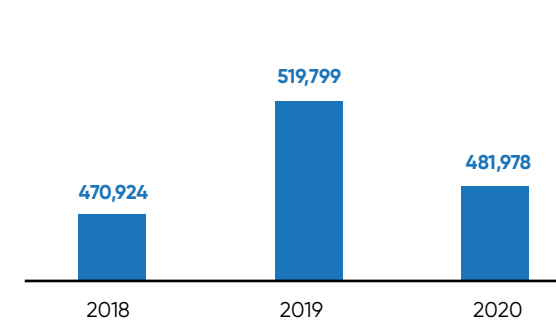


##### EBITDA, EBITDA PROFITABILITY

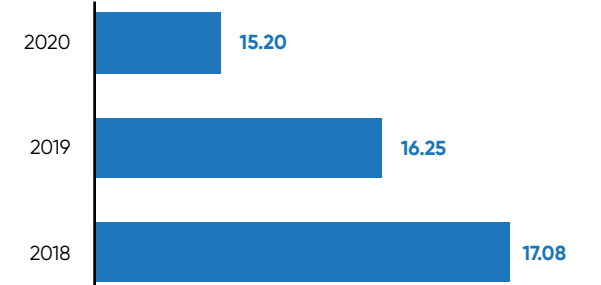


#### SUSTAINABLE DEVELOPMENT INDICATORS

##### THE COST OF ENVIRONMENTAL PROTECTION, THOUSAND RUBLES

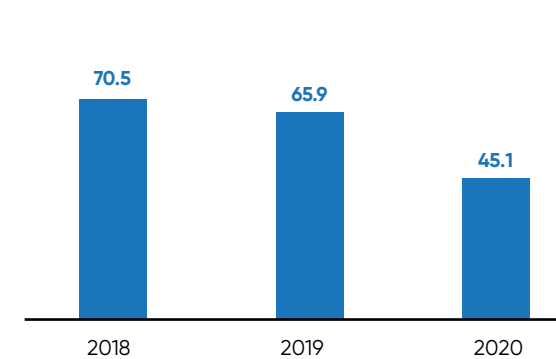


##### LABOR PRODUCTIVITY, MILLION RUBLES/PERSON\*

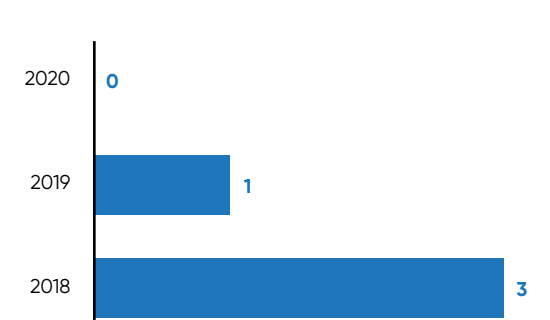


\* Labor productivity = revenue according to RAS / average headcount.

##### TOTAL EXPENSES FOR TRAINING AND DEVELOPMENT OF EMPLOYEES, MILLION RUBLES\*



##### INDUSTRIAL ACCIDENTS, PERSONS\*



\* Mild severity.



OGK-2 IS ONE OF RUSSIA'S LARGEST POWER GENERATING COMPANIES

PRINCIPAL OPERATIONS AND SALES MARKET

The principal operations of OGK-2 JSC are the electric and thermal power production and sale. The main sales market is the wholesale electric power (capacity) market. As part of this activity, OGK-2 JSC ensures the operation of power equipment in accordance with

applicable regulatory requirements, conducts timely and high-quality repairs, technical re-equipment and reconstruction of power facilities.

In the course of the investment program, 4.17 GW of new capacity was built, confirmed by capacity

supply agreements (CSA). When choosing equipment, priority is given to high-efficiency steam-gas cycle technologies and modern coal combustion technologies.

INSTALLED ELECTRIC AND THERMAL CAPACITY

**17,608 MW**  
installed electric capacity

**2,826.7 Gcal/h**  
installed thermal capacity<sup>3</sup>

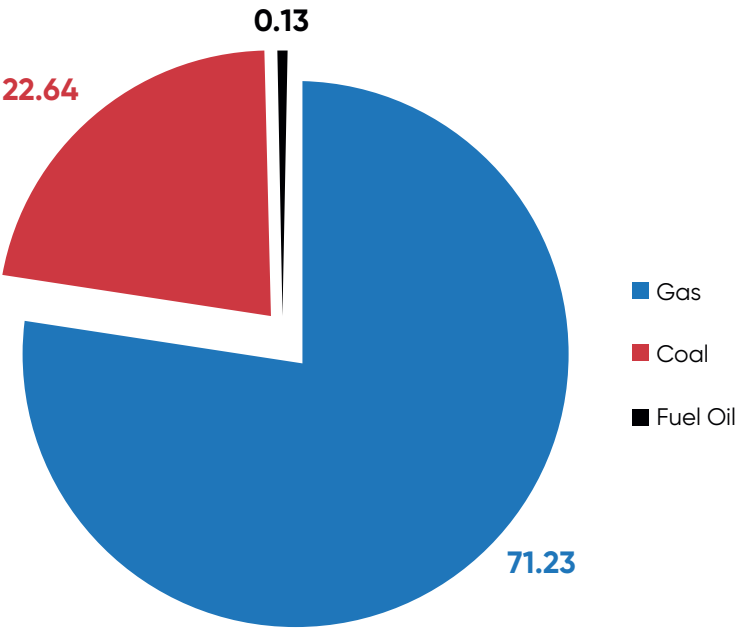
**4,169 MW**

is the commissioned electrical capacity and

**110.5 Gcal/h**

is the thermal capacity under the completed CSA program

FUEL BALANCE, %



<sup>3</sup>Taking into account water-heating boilers.

COMPETITIVE ADVANTAGES:

- one of Russia's largest thermal power generating companies;
- has a range of generating equipment that features a high degree of relevance (thus ensuring reliable electric power supply), a wide power control range, and high-speed load setting and resetting, which maximizes the capacity of these electric power plants and improves adherence to the consumption schedule;
- technical and technological capabilities of electric power plant equipment to provide system reliability services, as well as the availability of stations with operating modes for various types of fuel;

- some of the OGK-2 power plants are the backbone plants in the free-exchange zones;
- there is room for power plant efficiency enhancements;
- ability to diversify the fuel balance and optimize thereof to better suit the fuel market situation.

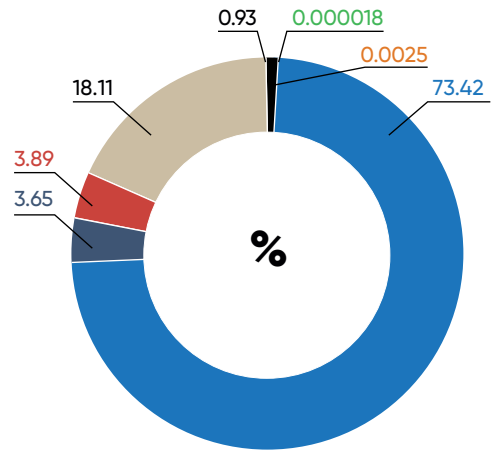
DEVELOPMENT PROSPECTS:

- the Company has stable financial assets flow paid for capacities subject to made Capacity Supply Agreements (CSA);
- the Company upgrades its equipment and makes electric power generation ever more reliable and efficient, which is partly due to participation in the National Modernization Program approved by the Government of the Russian Federation on March 25, 2019;
- costs optimization under the program to improve operating efficiency and reduce expenses;
- parametric optimization of the generating equipment.

INVESTMENT ATTRACTIVENESS FACTORS

- High potential for profit and dividend yield growth
- Large-scale contribution from capacity agreements
- Effective work on debt burden reduction
- High level of corporate governance
- High-performance management of sustainable development processes

SHARE CAPITAL AS OF 31.12.2020, %



- Individuals, including co-owners and trustees
- Russian Federation, constituent entities of the Russian Federation and municipalities
- Count of unidentified persons
- CENTRENERGOHOLDING Public Joint Stock Company
- Gazprom Energoholding LLC
- Mosenergo PJSC
- Legal entities, including the central depository, nominee holders and trustees

AS FOR DECEMBER 31, 2020:

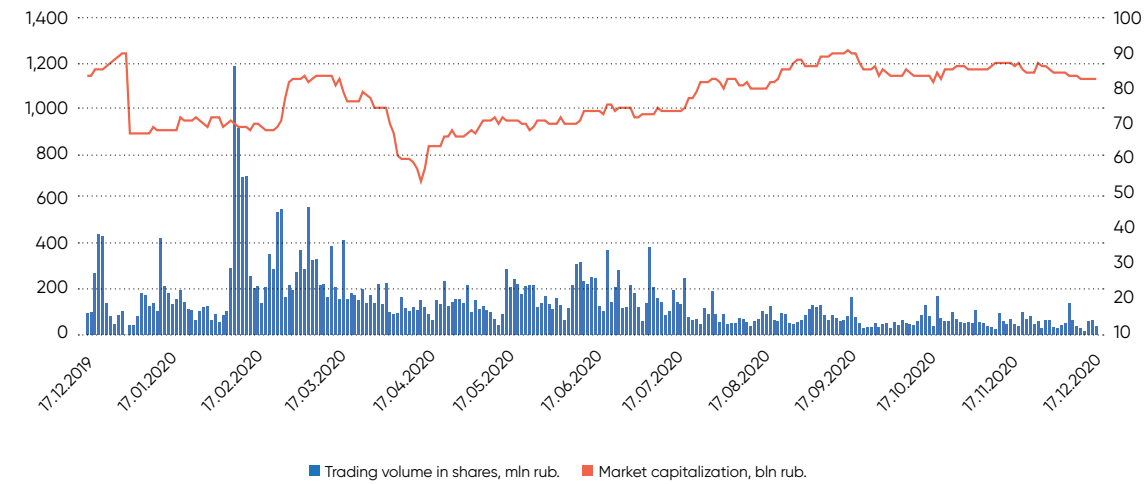
**80.94 bln rub.**  
market capitalization

**6.08**  
P/E

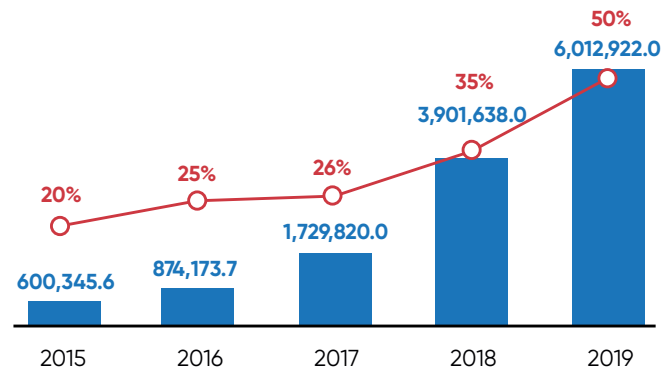
**0.12**  
EPS

**4.23**  
EV/EBITDA

DYNAMICS OF OGK-2 SHARES TRADING ON THE MICEX

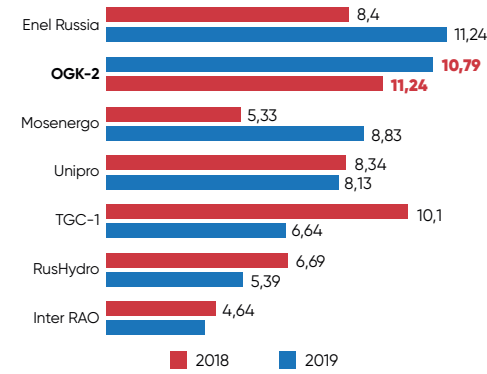


DIVIDEND HISTORY (RAS)



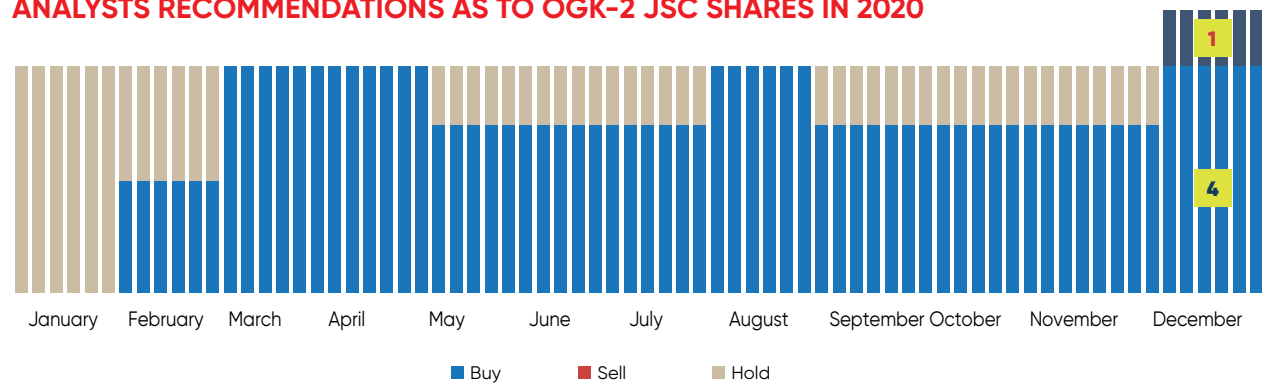
■ Amount of accrued dividends, thousand rubles  
○ The share of net profit aimed at paying dividends, %

DIVIDEND YIELD FOR 2018-2019, %



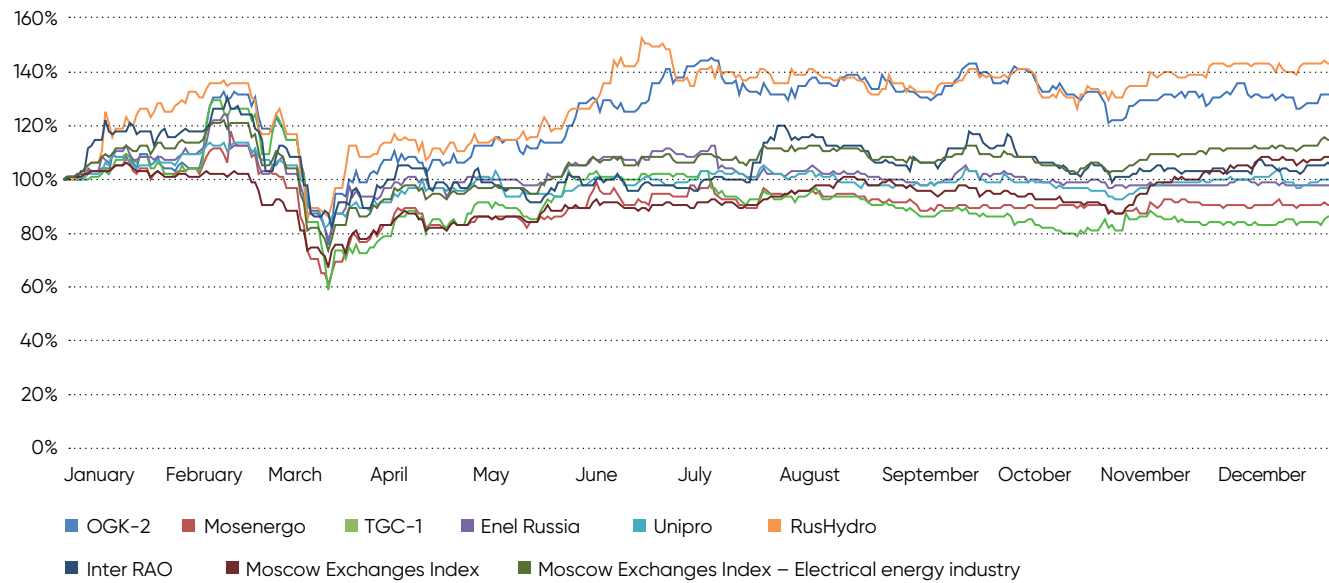
\* <https://www.moex.com/ru/listing/dividend-yield.aspx>

ANALYSTS RECOMMENDATIONS AS TO OGK-2 JSC SHARES IN 2020



Source: Bloomberg, calculation of OGK-2 JSC. The number of investment banks giving recommendation as for the end of the month is specified.

COMPARATIVE DYNAMICS OF THE STOCK PRICE OF OGK-2 JSC, COMPANIES OF PEERS AND MAJOR INDICES



Source: Bloomberg, calculation of OGK-2 JSC

ELECTRIC POWER AND HEAT PRODUCTION CONTRIBUTES TO THE ACHIEVEMENT OF THE FOLLOWING UN SUSTAINABLE DEVELOPMENT GOALS:



FitchRatings

DATE: OCTOBER 27, 2020

- BBB- Long-term IDR rating in foreign and national currency; Positive Outlook
- F3 short-term IDR rating in foreign and national currency
- Domestic currency nominated priority unsecured bonds rating, "BBB-"

ESG RATINGS



- F Rating on Climate Change 2020

Expert РЕЙТИНГОВОЕ АГЕНТСТВО

DATE: DECEMBER 24, 2020

- Credit rating "ruAAA"; Stable Outlook



- World Wildlife Fund (WWF) rating of environmental disclosure by fuel energy generating companies: 3rd place, 1.40 points

KEY EVENTS IN 2020

Development Strategy	
January	<b>Sale of Krasnoyarskaya GRES-2</b>  OGK-2 JSC (Gazprom Energoholding Group) and Yenisei TGC JSC, a subsidiary of Siberian Generating Company (part of SUEK Group), entered into a sale agreement for Krasnoyarskaya GRES-2 on December 31, 2019.
August	<b>Renewal of CHPP at Kirishskaya GRES</b>  On August 13, Mr. Alexander Drozdenko, Governor of the Leningrad Region, visited Kirishskaya GRES of OGK-2 JSC. In the scope of his working visit, he inspected the progress in renewal of the CHPP, a part of the power plant. A large-scale project to reconstruct and renew the CHPP will ensure a reliable heat supply to the region's petrochemical cluster in the long term.
August	<b>Troitskaya GRES will build a new start-up and heating boiler plant by September 2021</b>  The boiler plant needs to be built due to the scheduled decommissioning of the inefficient first stage of the power plant, at which the equipment has been in operation for more than 60 years. The design of the start-up and heating boiler plant has passed an expert review by Glavgosekspertiza of Russia FAO.
November	<b>Acquisition of Adlerskaya TPP's property complex from Gazprom Energoholding LLC under a sale and purchase agreement dated November 16, 2020.</b>
December	<b>Start of technological gas supply from "Power of Siberia" for pre-commissioning works at Svobodnenskaya TPP</b>  Natural gas from "Power of Siberia" pipeline was provided to Svobodnenskaya TPP. Once completed, it will supply electricity and heat to the Amur Gas Processing Plant, one of the world's largest natural gas processing plants. Moreover, the power plant will provide for additional conditions for the development of the industrial potential of the Amur Region.
Investment attractiveness	
June	<b>50% of net profit are dividend payments subject 2019 annual results</b>  Following the results of the Company's operations in 2019, the amount of dividends was 50% of the net profit according to IFRS. Thus, the Company allocated 6,013 million rubles for the payment of dividends.
October	<b>Upgrading of OGK-2 credit rating from Fitch Ratings</b>  On October 27, Fitch Rating Agency upgraded the outlook of OGK-2 JSC from Stable to Positive for long-term IDRs in foreign and local currencies at BBB- level.
Corporate Social Responsibility and Sustainable Development	
December	<b>A new Collective Agreement was signed</b>  A new Collective Agreement for the period from 2021 to 2023 was signed in order to create the most comfortable working environment for each employee, help them fulfil their professional potential and provide a decent level of welfare and benefits.
December	<b>One of the leaders in the World Wildlife Fund's rating of openness</b>  Following the results of the materials submitted to the World Wildlife Fund (WWF), OGK-2 JSC ranked third with a total score of 1.4 points. The industry rating was calculated on the basis of three sections: environmental management, environmental impact and information disclosure.
Investment Projects	
September	<b>Overhaul of Power Unit No. 2 at Novocherkasskaya GRES was completed</b>  As part of the main boiler and turbine equipment parameters recovery, works were performed to repair heating surfaces, renew the turbine generator, repair the boiler unit burner arrangements and replace defective sections of pipelines.
December	<b>Surgutskaya GRES-1 completed the overhaul of Power Unit No. 14</b>  The technical measures were taken to improve the reliability of generating equipment operation subject to the approved repair schedule.
Energy Management System	
February	<b>ISO 50001:2018</b>  OGK-2 JSC was successfully certified for implementation of international standard of energy management system ISO 50001:2018 and its domestic counterpart, GOST R ISO 50001-2012.

AWARDS AND BONUSES

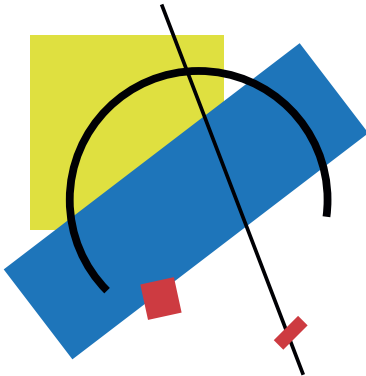
1. Projects of OGK-2 JSC were among the best at the Grand National Corporate Media Contest "Silver Threads of 2020". The Company's special project "With Energy through Life", dedicated to OGK-2 employees, won the Grand Prix in the "Best Corporate Video/Film" nomination category. Video clip "You Don't See Us, But We're Always Around", made in the course of the 2019 Energy Worker's Day celebrations, was awarded in "Best Corporate Video/Film. Company Image" category. In addition, interactive Annual Report of OGK-2 JSC for 2019 "We are Proud of the Results! We Work for the Future" took the third place in "Best Annual Report" category.

2. Interactive Annual Report of OGK-2 JSC for 2019 "We are Proud of the Results! We Work for the Future!" received the highest platinum award at the MarCom Awards, one of the largest and most prestigious international contests in marketing, corporate communications and PR.

3. Projects of OGK-2 JSC won the ConTEKst award. OGK-2 JSC won the award at the 11th All-Russian Contest of Communication Projects of Fuel and Energy Complex Companies "ConTEKst", supported by the Russian Ministry of Energy. Charitable inclusive festival "I am like everyone else" was awarded the second-degree diploma in "Best communication projects of companies in the fuel and energy sector and industry" category. Corporate video "You Don't See Us, But We're Always Around", commemorating the professional celebration of the Energy Worker's Day, took the third place. The winners were selected by a large jury composed of leading experts in the communications and energy sectors and in journalism.

4. OGK-2 JSC won "The Best Legal Departments of Russia – 2020" contest in "Effective Real Estate Management" category. The Company's major achievements included measures to optimize land payments, as well as costs related to the maintenance of immovable property, and the implementation of a generating company's corporate geoinformation system.

5. In 2020, the Company was ranked in the top three of the World Wildlife Fund's (WWF) rating of environmental openness.
6. OGK-2 JSC took the second place in International Engineering Championship "CASE-IN" (special league of Energy Shift) held in a remote format among generating companies of the Russian Federation. The team of young professionals from OGK-2 JSC developed and presented to the contest committee a case study on "Renewal of Generation Facilities Based on Energy-Efficient and Digital Technologies", which was highly praised by industry experts.



As far as dividend expectations are concerned, shall we expect 50% of net profit to be allocated following the results of 2020, or is it a little more than that?

As the base case scenario, OGK-2 considers payment of dividends in the amount of 50% of net profit according to IFRS. Nevertheless, subject to para. 3 and para. 4 of Article 42 of Federal Act "About Joint Stock Companies", the decision to pay (declare) dividends shall be made by the General Meeting of Shareholders. However, the amount of dividends may not exceed that recommended by the company's Board of Directors (Supervisory Board).

Please note that the Board of Directors of OGK-2 is guided by the principle of maintaining a balance between the Company's credit portfolio and the interests of the shareholders when making a decision concerning recommendation on the amount of dividends to the General Meeting of Shareholders.

Does OGK-2 intend to participate in the CCTMod competitive selection?

The company is considering the participation in new competitive selections of generating equipment renewal projects.

What are EBITDA expectations for 2021?

The company intends to achieve EBITDA indicators at least equal to the 2020 results.

What is the forecast CAPEX amount for retrofitting and upgrading for 2021?

The business plan foresees about 6.4 billion rubles of retrofitting and upgrading funding, so the Company uses this figure as a reference.

Does OGK-2 expect to acquire Groznenskaya TPP in the near future?

OGK-2 JSC has no plans to change the legal status of Groznenskaya TPP. The plant is currently leased by OGK-2.

What are the expectations with regard to decommissioning of equipment?

When making decisions, the Company primarily adheres to its strategic plans. In January 2021, the equipment of Unit No. 8 at Troitskaya GRES and three Power Units of Cherepovetskaya GRES were decommissioned. In the near future, the old stage of Troitskaya GRES is scheduled to be decommissioned following the launch of a heating boiler plant in Energetik settlement near the town of Troitsk. The tentative timeline is the beginning of the heating period of 2022–2023.

1.2 The Company's structure

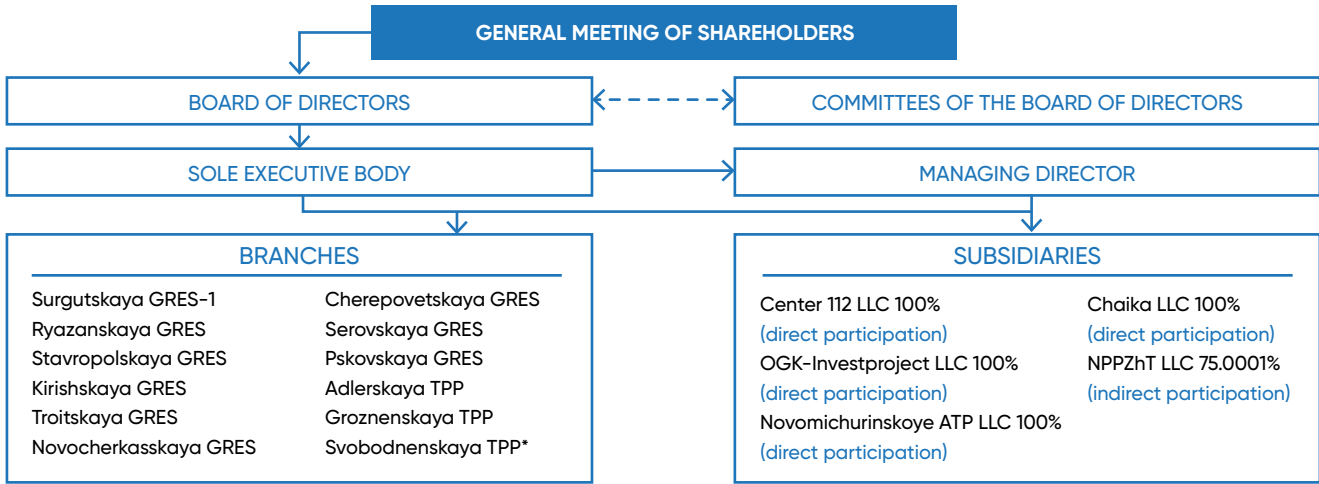
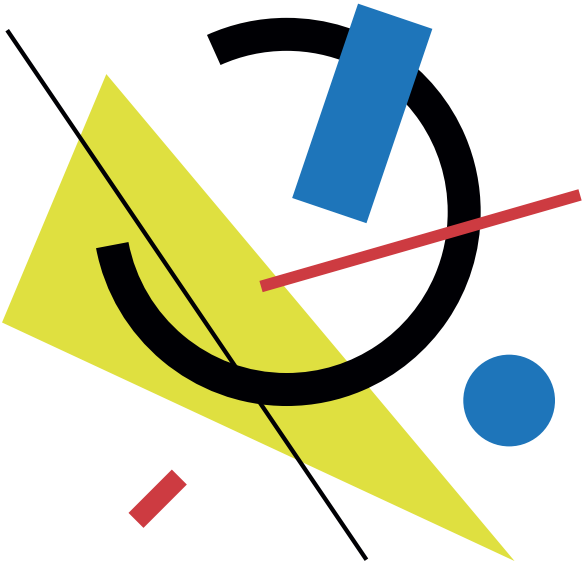
THE COMPANY'S BACKGROUND

	Historical Events
2005	Establishment of OGK-2 OJSC as a subsidiary of RAO UES of Russia OJSC.
2006	Serovskaya GRES OJSC, Stavropolskaya GRES OJSC, Pskovskaya GRES OJSC, Troitskaya GRES OJSC and Surgutskaya GRES-1 OJSC joined OGK-2 OJSC as branches.
2007	Placement of an additional issue of shares (IPO).
2008	Completion of the reorganization of RAO UES of Russia OJSC, distribution of the stake in OGK-2 OJSC among shareholders of RAO UES of Russia OJSC.
2010	Creation of Adlerskaya TPP branch.
2011	Joining OGK-6 OJSC to OGK-2 OJSC.
2015	Creation of the Groznenskaya TPP branch, commissioning of CCGT-420 at Serovskaya GRES, launching a new line of business, namely providing infrastructural capabilities of power plants for the development of small and medium-sized businesses.
2016	Commissioning of new power units at Novocherkasskaya GRES (330 MW) and Troitskaya GRES (660 MW) under the CSA.
2018	Commissioning of new Power Unit No. 1 at Groznenskaya TPP (about 180 MW) under the CSA.
2019	Establishment of Svobodnenskaya TPP branch, commissioning of a new Power Unit No. 2 at Groznenskaya TPP (about 180 MW), the final facility of the OGK-2 CSA program.  OGK-2 JSC and Yenisei TGC JSC, a subsidiary of Siberian Generating Company (part of SUEK Group), entered into a sale agreement for Krasnoyarskaya GRES-2.

OGK-2 STRUCTURE

ASSETS

4.2% is the Company's share in electric power generation by Russian thermal power plants



\* Commissioned in April 2021.



## 1.3 Business Model

### 1. STRATEGIC GOAL

Ensuring stable profit growth while maintaining the reliability of energy supply to consumers

#### STRATEGIC PRIORITIES

1. Building the optimal structure of production facilities
2. Cost optimization and efficiency improvements to adapt to changing market conditions
3. Improving the safety and reliability
4. Ensuring sustainable development and corporate social responsibility

### 2. OUR RESOURCES

#### Financial capital

**144,645 million rubles** of equity

**79,786 million rubles** of borrowed capital

#### Production capital

**17,608 MW** installed electric capacity

**2,826.7 Gcal/h** installed thermal capacity

**11 power plants** in Russia

#### Intellectual capital

**376 million rubles** of intangible assets

#### Human capital

the average number of employees is

**7,916.8 persons**

Including

**6,423 persons with vocational education (87.5%)**

#### Natural capital

**2.2 thousand tons** of water consumption

#### Social reputation capital

#### Credit ratings

**FitchRatings**

- BBB- Long-term IDR rating in foreign and national currency; Positive Outlook
- F3 short-term IDR rating in foreign and national currency

**Expert**

- Credit rating "ruAAA"; Stable Outlook

#### ESG ratings

**CDP**

- Rating on Climate Change 2020 "F"

### 3. ACTIVITY

#### Description of activities

The main activity of OGC-2 is the production and sale of electric energy and capacity with delivery to the wholesale market, the production of thermal energy and its sale to end consumers.

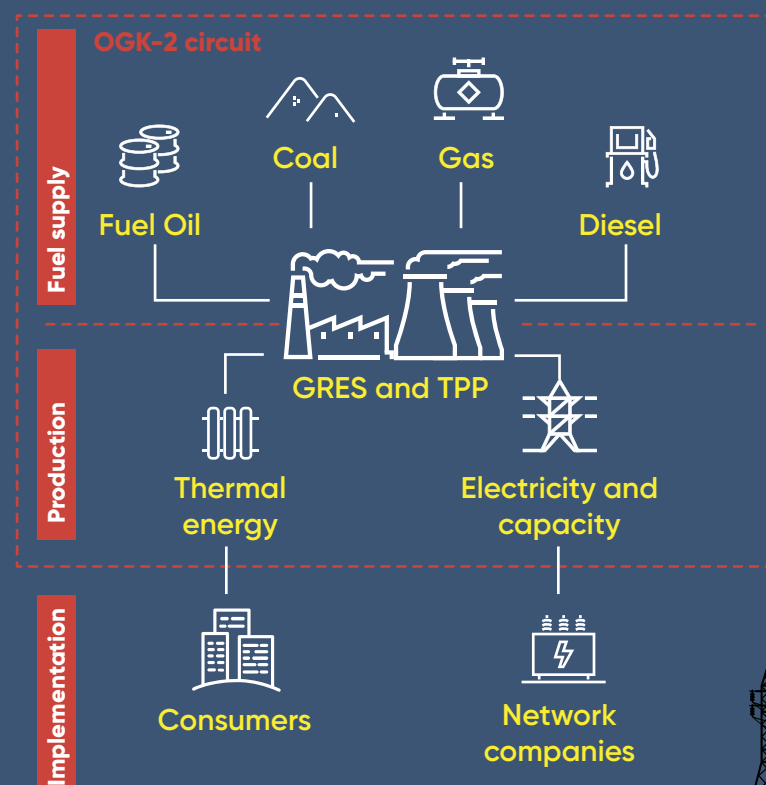
As part of this activity, OGC-2 ensures the operation of power plants, conducts timely and high-quality repairs of power equipment, and provides technical re-equipment and reconstruction of power facilities.

#### Company management

How we manage the activities of our Company can be found in the relevant sections of the Report:

1. Priority areas of development .....39
2. Environmental protection .....78
3. Human capital .....86
4. Occupational health and safety .....92
5. Social partnership .....95
6. Risk management .....46
7. Corporate Governance Report .....98

#### KEY PROCESSES



### 4. RESULTS FOR INTERESTED PARTIES

### 5. PRODUCTION RESULTS

**44,247.3 million kW\*h (-19,1%)** electricity generation

**41,236.9 million kW\*h (-19,2%)** net electricity supply

**5,844.0 thousand Gcal (-12,1%)** thermal energy generation

**5,591.6 thousand Gcal (-12,0%)** net supply of thermal energy

**326.5 g/kW\*h (+0,5%)** SRFC for electricity supply

**164.7 kg/Gcal (-0,3%)** SRFC for thermal energy supply

**27.0% (-6,0 p.p.)** ICUF

### SUSTAINABLE DEVELOPMENT RESULTS

**482.0 thousand rubles (-7%)** cost of environmental protection

**0.14 mln tons (-26,5%)** gross emission of harmful substances into the air

**27.8 mln tons of CO2 equivalent (-20%)** greenhouse gas emission

**No industrial accidents were recorded**

**1.1 mln tons (-25,5%)** waste generation

**15.2 million rubles/person (-6,5%)** labor productivity

### FINANCIAL RESULTS

**120,687 million rubles (-10,3%)** revenue

**13,265 million rubles (+10,3%)** net profit

**9,437.8 billion rubles (+15,3%)** actual financing of capital investments

**6,009.816 million rubles** Dividends paid in 2020

### 6. CONTRIBUTION TO ACHIEVEMENT OF SUSTAINABLE DEVELOPMENT GOALS



## 1.4 Geographical reach

Installed electric capacity, MW / Installed heat capacity, Gcal/h

■ Gas ▲ Coal ● Fuel Oil ○ Diesel Fuel ▼ M ▲ F





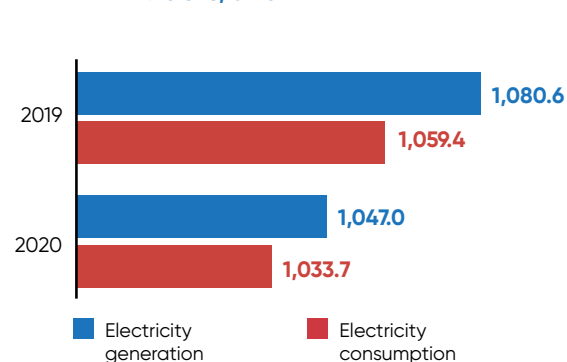
## 1.5 Market Overview

### BRANCH-WISE OVERVIEW<sup>4</sup>

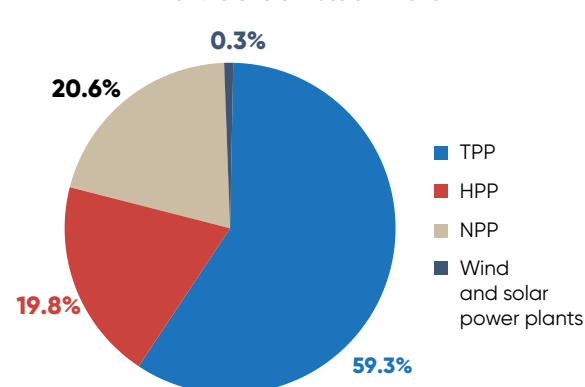
#### CONSUMPTION AND GENERATION OF ELECTRICITY

In 2020, the electricity generation by power plants of UES of Russia amounted to 1,047.0 billion kW\*h, which is 3.1% lower than the level of 2019. In 2020, the electricity consumption amounted to 1,033.7 billion kW\*h, which is 2.4% lower than the level of 2019.

Generation and consumption of electricity in the UES, billion kW\*h



Structure of electricity generation by power plants of the UES of Russia in 2020

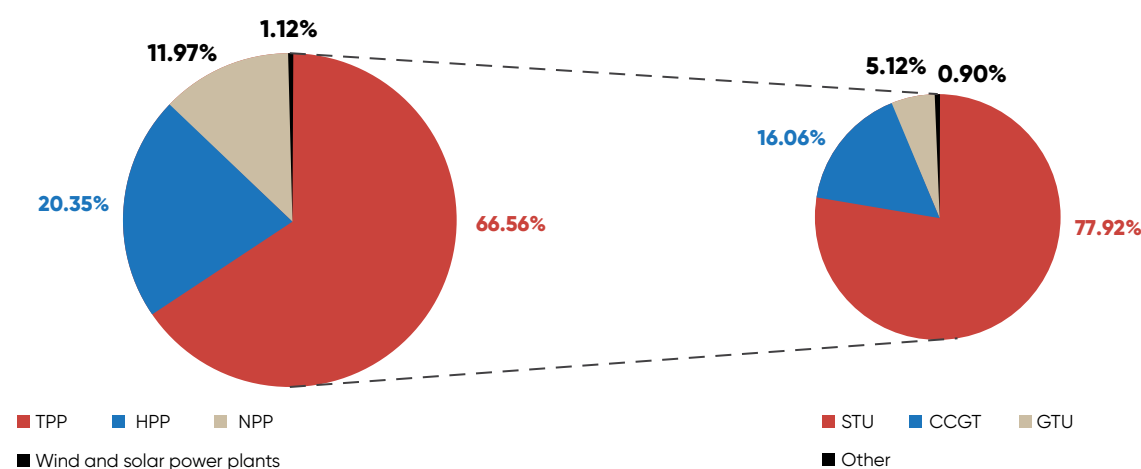


#### INSTALLED CAPACITY

As of the end of 2020, the installed capacity of the power plants in the UES of Russia amounted to 245,313.25 MW, which is 0.4% lower than in 2019. This is due to decommissioning of generating capacities and relabeling of existing equipment with a reduction in installed capacity.

### In 2020, 1.87 GW of new generating equipment was commissioned in Russia

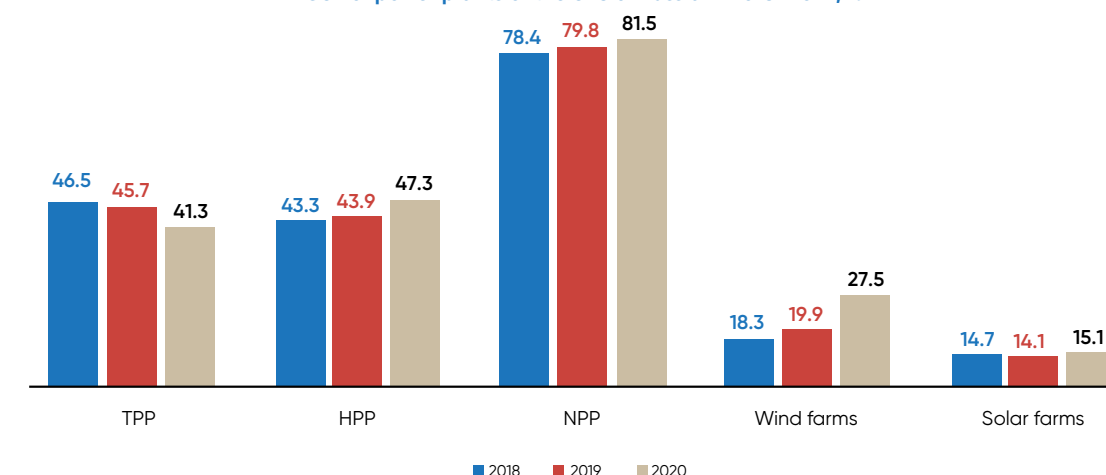
The structure of the installed capacity of power plants



<sup>4</sup> Except where otherwise stated, the source is "Report on the functioning of the UES of Russia in 2020" by the System Operator of the Unified Energy System.

In 2020, the number of hours of using the installed capacity of power plants as a whole across the UES of Russia amounted to 4,238 hours or 48.25% of the calendar time (installed capacity utilization factor – ICUF).

ICUF of power plants of the UES of Russia in 2018–2022, %



### PROSPECTS FOR CAPACITY MODERNIZATION FOR THE PERIOD OF 2022–2031

#### The CSA-2 modernization program for Russia as a whole: 41 GW of thermal power 1.9 trillion rubles of investment over 10 years Guaranteed 14% of profitability

One of the main tasks of the reform of the Russian power industry in the 2000s is a significant investment in the industry in the construction of new and modernization of existing generation facilities. The main mechanism for the implementation of the task has been the conclusion of capacity supply agreements (CSA). Since the beginning of this program in 2010, OGC-2 has commissioned 4,169 MW of new capacity under the CSA.

By the end of 2020, the bulk of the capacities under the CSA program was commissioned

(OGC-2 completed this process as early as in 2019). The program can be assessed as the main driver supporting the profitability of Russian generation companies, providing for an average of 62% of EBITDA in the thermal generation segment between 2015 and 2020. According to calculations of some investment bank analysts, for OGC-2 the contribution of payments under the CSA will eventually amount to 70% of EBITDA<sup>5</sup>. However, it means that the contribution of the CSA to profits of Russian generation

companies will reduce over the next five years.

According to the Ministry of Energy, up to half of the capacity in Russia may require either decommissioning or modernization in the coming years. At the same time, as the CSA expires, the tariff component can be redistributed for modernization as part of the CSA-2 program.

On January 25, 2019, the Government of the Russian Federation approved the modernization program for generating facilities of thermal power plants (CCTMod) developed by the Ministry of Energy of Russia. This project will upgrade almost 41 GW of installed capacity of generating facilities, which is about 16% of the installed capacity of UES of Russia.

It is assumed that the modernization program will be valid until 2031, and investors will gain access to the long-term market – the contracts for the supply of capacity under CCTMod provide for a capacity delivery period of 192 months (16 years). According to the Russian Ministry of Energy, the

modernization program will attract up to 1.9 trillion rubles of private investment over 10 years.

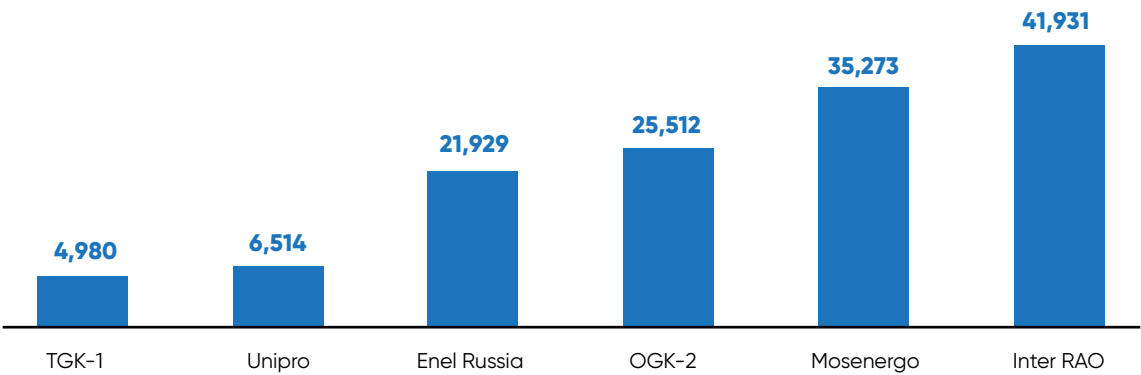
The first competitive selections were held in April 2019, with capacity delivery starting in 2022–2024. In December 2020, the System Operator of the UES published a preliminary list of selected modernization projects for 2026 under the CSA-2 program. 15 projects with a total capacity of 3,804 MW were listed, with 3,020 MW pertaining to the first price zone and the rest – to the second one. The single-rate price was between 1,797 and 2,417 rubles per MW\*h. The selection of projects using localized high-capacity gas turbines was postponed to 2021 and the commissioning of capacity was shifted from 2026–2028 to 2027–2029.

Modernization of obsolete capacities will reduce annual gas consumption to 17 billion m<sup>3</sup> and coal to 16 million tons.

<sup>5</sup> Source: Calculations of VTB Capital.

# The economic effect of the modernization of facilities for OGK-2 may reach peak periods of up to 25.5 billion rubles of EBITDA per year

ECONOMIC EFFECT OF CAPACITY MODERNIZATION DURING PEAK PERIODS, MILLION RUBLES



## INDUSTRY POSITION

The main direction of increasing the efficiency of the Company in 2020 was to improve sales profitability by responding flexibly to changing market conditions for electricity sales, as well as by reducing production costs, including maximizing the potential for diversifying the fuel balance and improving the quality of contractual work with coal suppliers.

The main directions with regard to the Company's future activities

associated with the sale of heat, electricity and capacity include:

- modernizing the main generating equipment, including through attraction of borrowed funds;
- optimizing the fuel balance and equipment operation mode, reducing electricity and heat production costs and, consequently, the prime cost of the products;

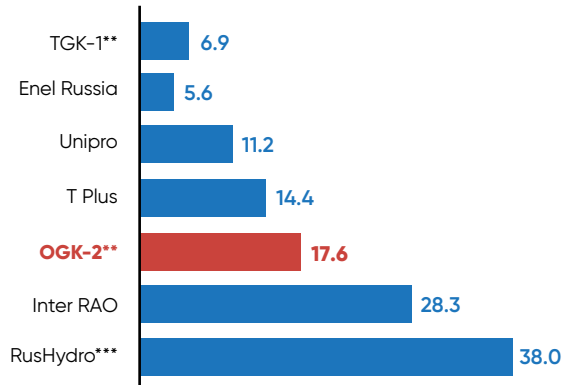
- reducing the negative financial consequences caused by payment discipline violations by electricity and heat consumers in the wholesale and retail market, respectively;

- enhancing customer focus.

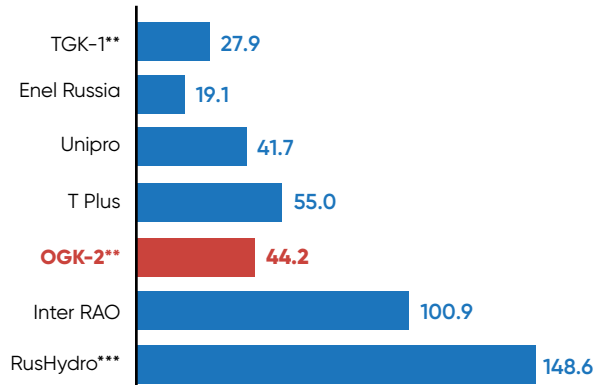
## KEY COMPETITORS IN THE ELECTRICITY AND CAPACITY MARKET

The main competitors of OGK-2 in the electricity and capacity market are companies that own large generating facilities in Russia.

INSTALLED CAPACITY OF THE MAIN GENERATING COMPANIES WHOSE POWER PLANTS ARE LOCATED IN THE REGIONS WHERE OGK-2 IS PRESENT, AS OF DECEMBER 31, 2020, GW \*



ELECTRICITY GENERATION BY THE MAIN GENERATING COMPANIES, WHOSE CAPACITIES ARE LOCATED IN THE REGIONS WHERE OGK-2 IS PRESENT, IN 2020, BILLION KW\*H \*



\* According to companies (information from open sources), OGK-2. By generation facilities in the Russian Federation.  
 \*\* The controlling stakes in TGK-1 PJSC and OGK-2 JSC belong to Gazprom Energoholding Group.  
 \*\*\* Including the Boguchanskaya HPP.

Competition in the electric power industry is limited by the price zones in which the power plants are located. The main competitors of OGK-2 are

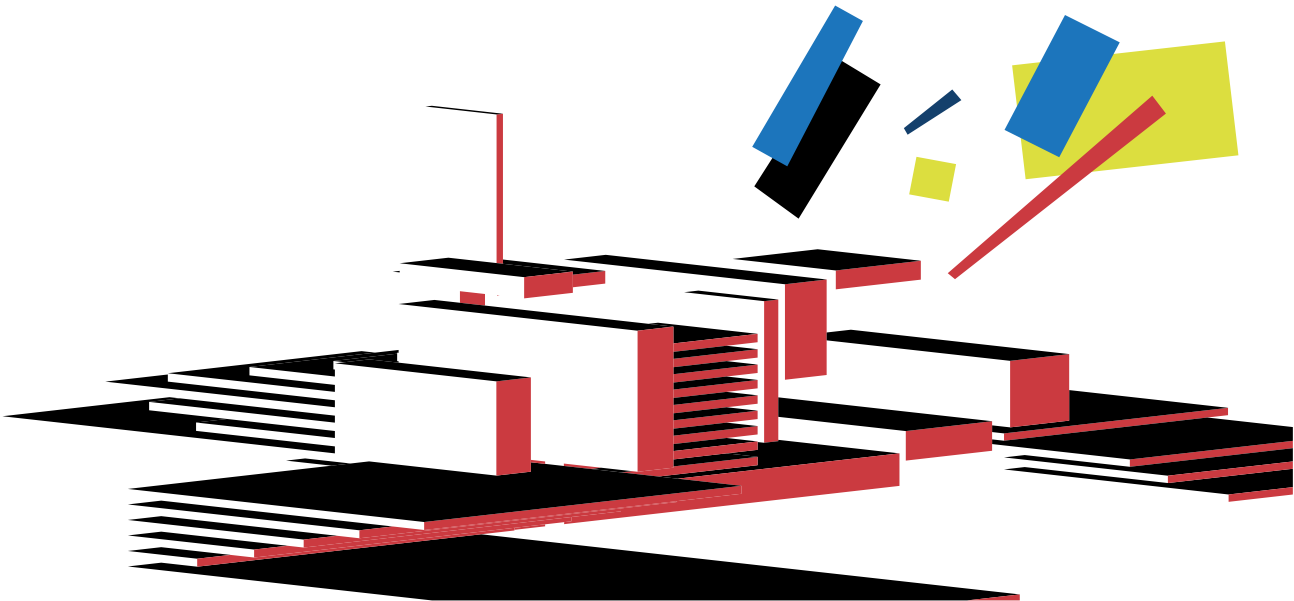
power plants located in one zone and neighboring regions connected by high-voltage lines.

## COMPETITIVE REVIEW

Comparison with some of the Russian public companies operating in the electric power industry whose shares are traded on the Moscow Exchange\*

	Capitalization as of December 31, 2020, billion rubles	Average daily trading volume in 2020, million rubles	Dividend yield, 2019, %	EBITDA for 2020, million rubles	EBITDA profitability in 2020	EV/EBITDA for 2020	P/E for 2020
OGK-2	80.94	152.81	10.79	31.57	26.16%	3.1	5.4
Mosenergo	82.34	49.29	5.33	30.47	16.84%	2.7	8.8
TGK-1	42.85	99.28	10.10	21.94	24.68%	2.4	5.0
Enel Russia	31.91	61.35	8.40	9.02	20.48%	4.4	7.3
Unipro	176.35	240.12	8.34	26.41	35.06%	6.9	12.3
Inter RAO	555.09	1,472.78	4.64	122.30	12.40%	1.0	5.2
RusHydro	345.76	1,471.31	6.69	120.30	28.00%	4.2	6.5

\* Capitalization, dividend yield – according to the Moscow Exchange. Average daily trading volume – according to Bloomberg. EBITDA value, EBITDA profitability – according to the companies. EV/EBITDA, P/E – calculation by Renaissance Capital.



Sales regions	Branch	Principal competitors	Competitive advantages	Forecast of electricity demand based on an analysis of schemes and development programs of the UES of Russia for the period until 2024
North-Western UPS	Kirishskaya GRES	North-West CHPP (Inter RAO – Power Generation JSC), Leningrad NPP (Rosenergoatom Concern JSC), stations of TGK-1 PJSC	<ul style="list-style-type: none"> <li>the main frequency and capacity regulator in the North-Western UPS (the total regulation capacity of other power plants in winter is less than the regulating capacity range of Kirishskaya GRES and does not satisfy the needs of the central part of the UPS for regulation).</li> </ul>	Based on the analysis of the scheme and development program of the Unified Energy System of Russia for 2020–2026, electricity consumption is expected to increase due to the growth and development of mining, machine building and other industries in the North-Western UPS. An increase in the share of transport in the structure of electric energy consumption is forecasted.
	Pskovskaya GRES	North-West CHPP (Inter RAO – Power Generation JSC), Leningrad NPP (Concern Rosenergoatom JSC), stations of TGK-1 PJSC	<ul style="list-style-type: none"> <li>dependence of electric energy production on electricity demand, including in the Baltic countries and the Republic of Belarus.</li> </ul>	
Central UPS	Ryazanskaya GRES	Kostromskaya GRES and Cherepetskaya GRES (Inter RAO – Power Generation JSC), Shaturskaya GRES and Smolenskaya GRES (Unipro PJSC), Konakovskaya GRES (Enel Russia PJSC). In addition, the 500 kV network also receives energy from the Novovoronezhskaya, Kalininskaya and Smolenskaya NPPs (Concern Rosenergoatom JSC), Volzhskaya HPP (RusHydro PJSC) and energy from the Mid-Volga Region UPS and the Ural UPS	<ul style="list-style-type: none"> <li>one of the main suppliers in the balancing electricity market of the region;</li> <li>uses 2 types of fuel: the main fuel of the 1st stage is brown coal, the main fuel of the 2nd stage is natural gas.</li> </ul>	Based on the analysis of the scheme and development program of the Unified Energy System of Russia for 2020–2026, an increase in electricity demand in Moscow and the Moscow Region is expected in the Central UPS. There will also be an increase in demand in the Belgorod Region due to the expansion of existing enterprises.
	Cherepovets-kaya GRES	Stations associated with the district by a 500 kV transmission line, namely: Kostromskaya GRES (Inter RAO – Power Generation JSC) and Konakovskaya GRES (Enel Russia PJSC), as well as Kalininskaya NPP (750 kV transmission line, basic schedule) (Concern Rosenergoatom JSC)	<ul style="list-style-type: none"> <li>the competitive advantage of Cherepovetskaya GRES is the low cost of electricity production by the CCGT.</li> </ul>	
Southern UPS	Novocherkas-skaya GRES	Rostovskaya NPP (Concern Rosenergoatom JSC), Nevinnomysskaya GRES (Enel Russia PJSC)	<ul style="list-style-type: none"> <li>the backbone station FPTZ Kuban;</li> <li>partially participates in the balancing market.</li> </ul>	In accordance with the scheme and development program of the Unified Energy System of Russia for 2020–2026, relatively high growth rates of electricity consumption are expected in the Southern UPS. The increase in demand is primarily due to the implementation of a number of large-scale investment projects driven by the development of existing industrial enterprises.
	Stavropols-kaya GRES	Nevinnomysskaya GRES (Enel Russia PJSC), Krasnodarskaya CHPP (LUKOIL-Kubanenergo LLC)	<ul style="list-style-type: none"> <li>plays a key role in maintaining the system reliability of the Southern UPS;</li> <li>a wide range of power regulation, speed of set-up and load shedding, which provides maximum power plant capabilities to cover the consumption schedule.</li> </ul>	
	Adlerskaya TPP	Sochinskaya TPP (Inter RAO – Power Generation JSC), Nevinnomysskaya GRES (Enel Russia PJSC), Krasnodarskaya CHPP (LUKOIL-Kubanenergo LLC)	<ul style="list-style-type: none"> <li>provides for reliable electricity and heat supply to sports and tourist infrastructure in Sochi;</li> <li>modern gas turbine technologies for the production of electric energy, which provide high performance indicators;</li> <li>a wide range of power regulation, speed of set-up and load shedding, which provides maximum power plant capabilities to cover the consumption schedule.</li> </ul>	
	Groznenskaya TPP	The HPP of North Caucasus of RusHydro PJSC (Dagestan branch, Kabardino-Balkarian branch, Karachayevo-Cherkess branch, North-Ossetian branch)	<ul style="list-style-type: none"> <li>the largest power plant in the region, has high efficiency indicators, which are ensured by modern gas turbine technologies;</li> <li>gas turbines of Groznenskaya TPP have a high degree of maneuverability, and also provide cover for peak loads under conditions of low water at HPP in the region..</li> </ul>	
Ural UPS	Surgutskaya GRES-1	Nizhnevartovskaya GRES (Inter RAO – Power Generation JSC), Surgutskaya GRES-2 (Unipro PJSC), Urengoiyskaya GRES and Nyaganskaya GRES (Fortum PJSC)	<ul style="list-style-type: none"> <li>the main and reserve fuel is associated petroleum gas from the Ob region fields;</li> <li>the main consumers of electricity generating capacities are oil and gas companies located in the Tyumen region.</li> </ul>	In accordance with the scheme and development program of the Unified Energy System of Russia for 2020–2026, a relatively low growth rate of demand is expected in the Ural UPS, which is determined by the development of the economy and, first of all, by the development features of the oil, gas and metallurgy primary industries.
	Troitskaya GRES	Reftinskaya GRES (Siberian Generating Company LLC), South-Ural GRES (Inter RAO – Power Generation JSC), and Kurganskaya CHPP (Fortum PJSC)	<ul style="list-style-type: none"> <li>high demand for generating equipment due to the proximity of the power plant to large energy-intensive consumers.</li> </ul>	
	Serovskaya GRES	Yaivinskaya GRES (Unipro PJSC), Nizhneturinskaya GRES (T PLUS PJSC)	<ul style="list-style-type: none"> <li>location in the Serovo-Bogoslovsky node, in which there are energy-intensive production units of steel, aluminum and ferroalloys;</li> <li>in 2015, high-efficiency combined-cycle equipment (CCGT-420) with a low fuel component was commissioned.</li> </ul>	

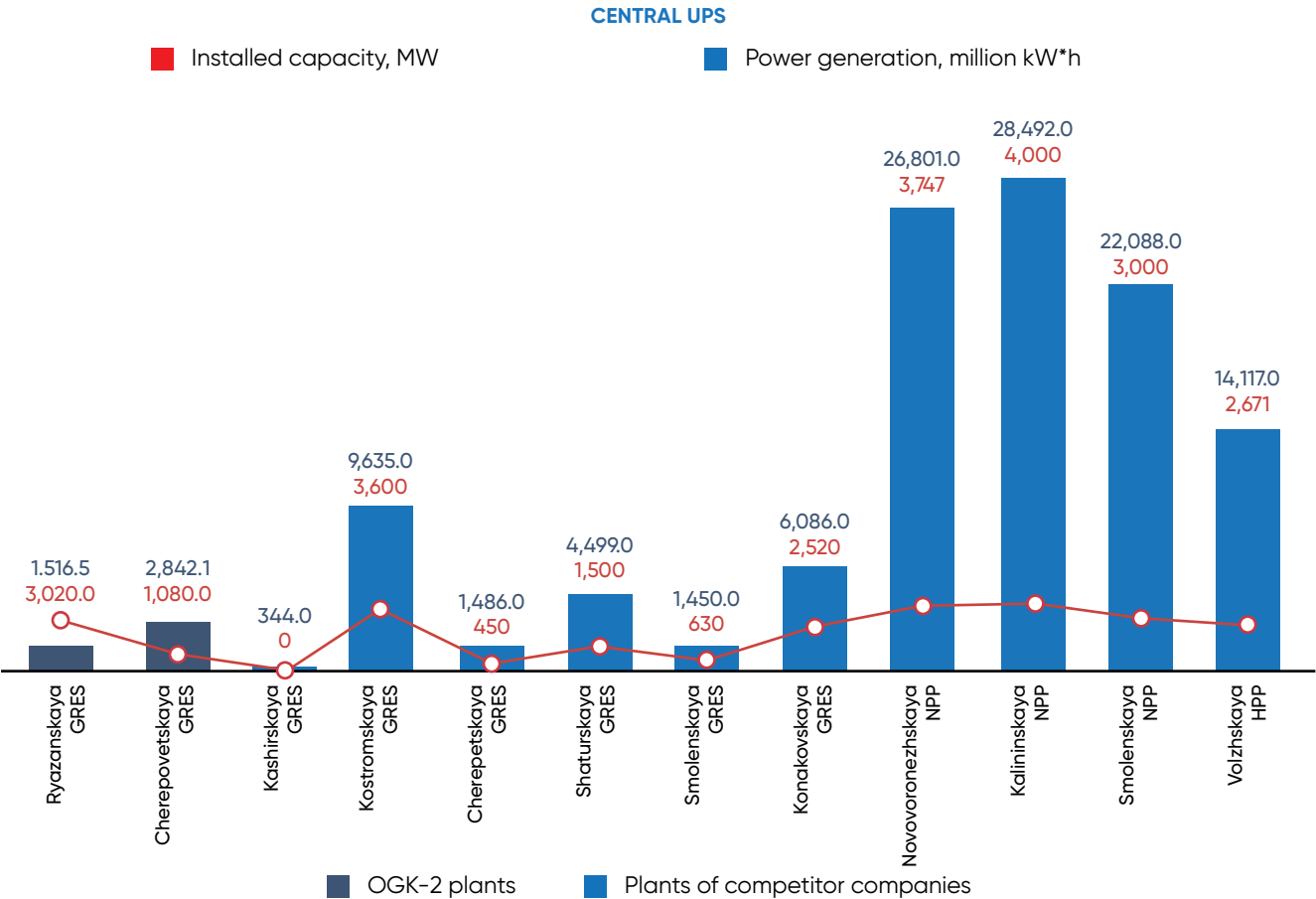
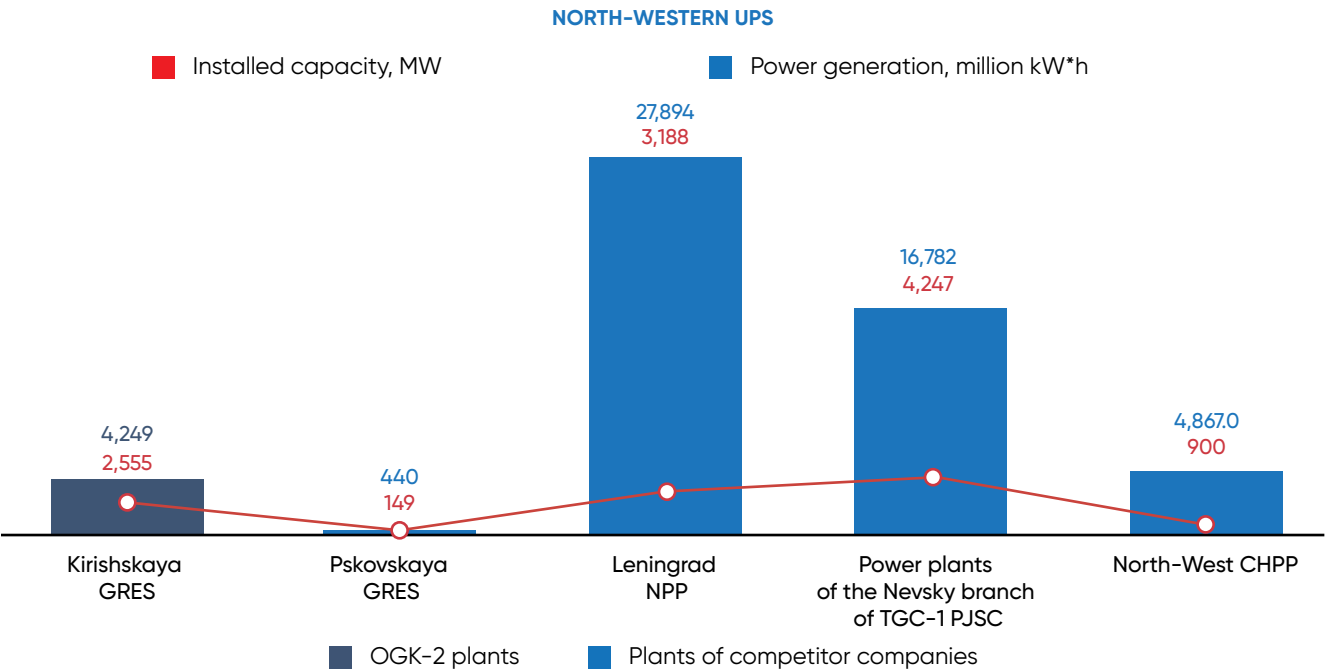
OGK-2 POWER PLANT MARKET SHARE BY REGIONAL POWER SYSTEMS

Branches	Sales Regions / Unified Power Systems (UPS)	Market share, % <sup>6</sup>				Comments on changing market share
		Share in the UPS by electricity, %		Share in the UPS by capacity, %		
		2019	2020	2019	2020	
Kirishskaya GRES	North-Western UPS <sup>7</sup>	8.68	5.07	13.92	14.53	The decrease in the share of electric energy generation is associated with the initiatives of the System Operator in the context of the balance-sheet situation of the North-Western UPS, as well as with the decommissioning of the power plant unit and repair of the generating equipment. The increase in the share in the North-Western UPS in terms of capacity is due to the decommissioning of the Leningrad NPP unit with an installed capacity of 1,000 MW.
Pskovskaya GRES		0.22	0.18	2.36	2.5	The decrease in the share of electricity generation is due to the operation of the power plant in the context of the schematic and balance situation in the North-Western UPS, at the initiative of the System Operator. The increase in the share in the North-Western UPS in terms of capacity is due to the decommissioning of the Leningrad NPP unit with an installed capacity of 1,000 MW.
Ryazanskaya GRES	Central UPS	0.65	0.66	5.95	5.84	The demand for coal generation in the Central UPS remains at a rather low level. The decrease in installed capacity is due to the decommissioning of a unit at GRES-24.
Cherepovets-kaya GRES		1.42	1.23	2.05	2.06	The decrease in the share of electric energy production is associated with the current schematic and balance situation in the Central UPS. The share of installed capacity has remained almost at the same level.
Novocheerkas-skaya GRES	Southern UPS	7.50	6.67	9.08	8.70	The decrease in the share of electric energy production is associated with the current schematic and balance situation in the Southern UPS. The decrease in the installed capacity share is associated with the commissioning of new generating capacities in the Southern UPS.
Stavropolskaya GRES		4.90	3.99	9.75	9.34	The decrease in the share of electric energy production is associated with the current schematic and balance situation in the Southern UPS. The decrease in the installed capacity share is associated with the commissioning of new generating capacities in the Southern UPS.
Groznskaya TPP		0.65	1.27	1.45	1.39	The increase in electricity generation is due to an increase in equipment utilization at the initiative of the System Operator in the context of the schematic and balance situation in the Southern UPS.
Adlerskaya TPP		1.66	1.82	1.48	1.41	The increase in the share of electric energy production is associated with the schematic and balance situation in the Southern UPS.
Troitskaya GRES	Ural UPS	0.46	0.38	2.45	2.44	The decrease in the share of electricity generation is due to the operation of the power plant under the schematic and balance conditions in the Ural UPS, at the initiative of the System Operator.
Serovskaya GRES		1.07	1.23	0.84	0.84	The increase in the share of electricity generation is due to the current pattern and balance situation in the Ural UPS, namely, the reduced generation of the HPP.
Surgutskaya GRES-1		7.02	6.48	6.21	6.24	The decrease in the share of electric energy generation by the Ural UPS is associated with repairs of the generating equipment.

<sup>6</sup> Based on data from SO of the UES.

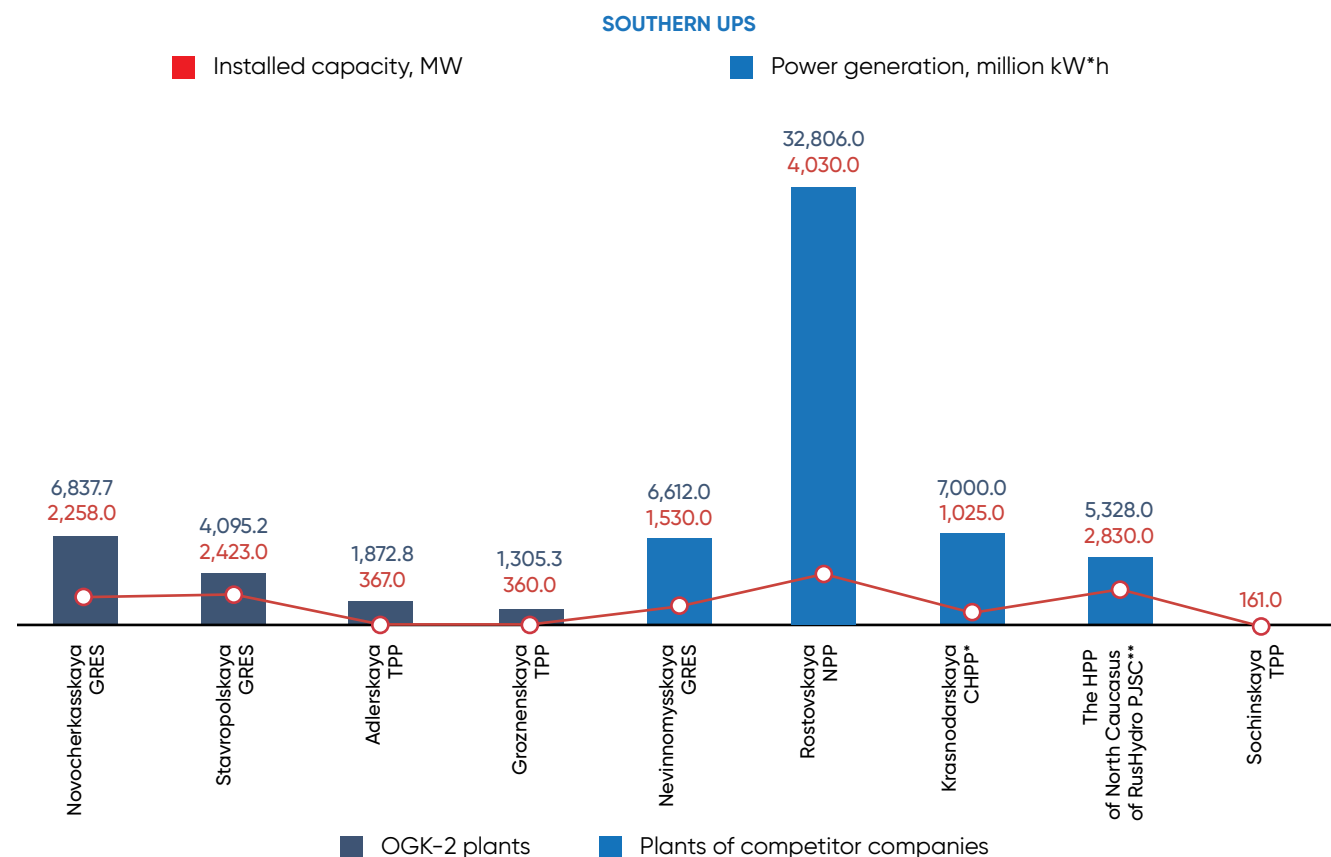
<sup>7</sup> With the exception of Arkhangelsky RDO, Baltic RDO and Komi RDO.

INDICATORS OF INSTALLED CAPACITY AND POWER GENERATION OF OGK-2 PLANTS IN COMPARISON WITH THE MAIN COMPETITORS AS OF DECEMBER 31, 2020 <sup>8</sup>.



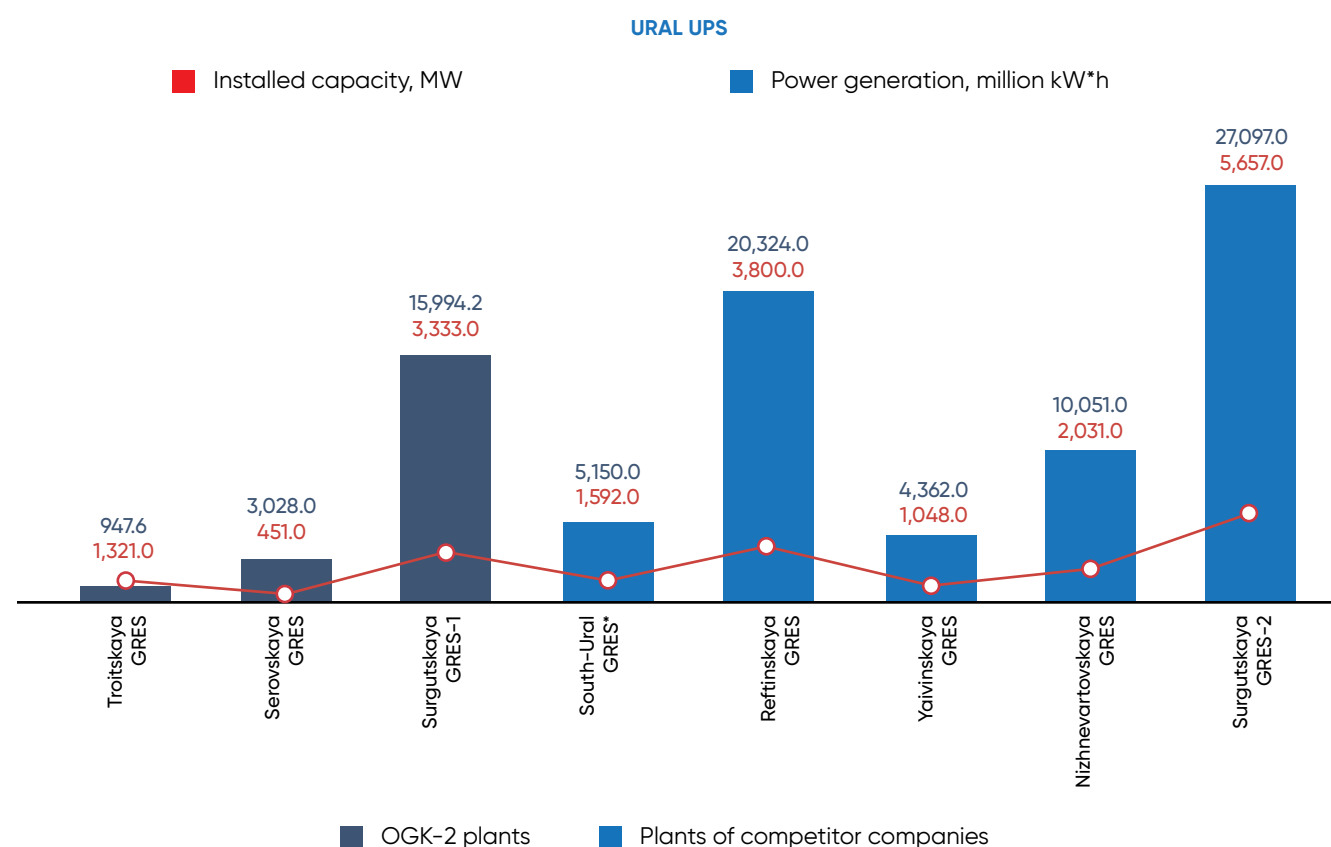
<sup>8</sup> Source: OGK-2, company data.





\* Approximate value given on the official website: <http://kubanenergo.lukoil.ru/ru/>.

\*\* Dagestan branch, Kabardino-Balkarian branch, Karachayevo-Cherkess branch, North-Ossetian branch.



\* Taking into account South-Ural GRES-2.

## 1.6 Strategic Development Priorities

### PRIORITY AREAS FOR THE DEVELOPMENT OF OGK-2

OGK-2 JSC plans its priority development directions within the framework of the general Strategy of Gazprom PJSC in the electric power

industry for the next ten-year period (until 2027), including increasing customer focus and maintaining import substitution policy.

### MISSION AND DEVELOPMENT PRIORITIES OF THE COMPANY

#### OGK-2 MISSION:

- We consider ourselves to be the largest heat power Company and have a significant economic impact on society.
- We are a reliable partner in the energy markets, we build long-term and mutually beneficial cooperation.
- We use scientific and technical developments to introduce new technologies in energy production for the home, business and the country.
- We develop the professional and creative potential of the staff, combining our efforts and talents to ensure the Company's leading positions in the market.
- We care about the interests of shareholders, increasing the profitability and capitalization of the Company.
- We provide the highest standards of environmental protection, minimize negative impact on the environment.
- We strive to ensure the long-term growth of our business, transform OGK-2 into a leading power company.

OGK-2 development priorities are determined by the need to increase the efficiency of the Company in order

to increase business value. Improving the efficiency of the Company should be aimed at the formation

of its economic potential, providing the ability to update generating capacities.

**The strategic goal of the Company is to ensure stable profit growth while maintaining the reliability of energy supply to consumers.**

Taking into account the strategic goal, the characteristics of the Company, the market situation and risks, the main directions of development of OGK-2 are formed with an emphasis on improving profitability, efficiency and competitiveness. Strategic development priorities are identified in four main areas

- building an optimal structure of production facilities;
- cost optimization and efficiency improvements to adapt to changing market conditions;
- ensuring sustainable development and corporate social responsibility;
- increasing the level of safety and reliability of production.

To implement these tasks, a system of Key Performance Indicators (KPIs) has been established that sets specific goals and motivates the management of the Company to achieve them.

Based on the work of the OGK-2 risk management system, the monitoring of possible negative impacts on the implementation of the Company's development priorities is carried out with further adjustment of tasks and KPIs.

	1. Efficiency: Cost optimization/ Structure optimization	2. Reliability: Improving the safety and reliability of production	3. Sustainable development Ensuring sustainable development and corporate social responsibility
TASKS	<ul style="list-style-type: none"><li>■ fuel efficiency and optimal capacity utilization;</li><li>■ optimization of operating and investment costs;</li><li>■ increase of the efficiency of equipment maintenance work;</li><li>■ reduced power shortages;</li><li>■ search and development of new activities subject to the use of existing assets;</li><li>■ optimization of stocks of raw materials;</li><li>■ implementation of R&amp;D results and proposals for optimizing all types of activities on the part of the Company's employees;</li><li>■ renewal of fixed assets: reconstruction and technical re-equipment of existing generating and auxiliary equipment, replacement of energy equipment that has exhausted its resource;</li><li>■ improvement of technical and economic indicators of the operation of power units;</li><li>■ withdrawal of inefficient capacities;</li><li>■ increase of the efficient work with real estate.</li></ul>	<ul style="list-style-type: none"><li>■ conducting regular inspections of the technical condition of the equipment and performing service, preventive and repair work</li><li>■ taking preventive measures to reduce the risks of emergencies and increase the reliability of equipment</li><li>■ IT infrastructure modernization in order to increase the reliability of its functioning and ensure guaranteed continuity of critical business processes</li><li>■ conducting a special assessment of working conditions, medical examinations of employees and staff briefings on safe working methods</li><li>■ close cooperation in ensuring security and developing response measures in cases of emergencies with the Ministry of Emergencies, emergency services in the settlements of power plants, medical and public organizations, as well as with network and other generating companies</li></ul>	<ul style="list-style-type: none"><li>■ introduction of new environmentally friendly technologies with high efficiency</li><li>■ rational use of fuel resources in the production and transmission of electric and thermal energy</li><li>■ standardization and voluntary certification of production wastes (ash and slag) with a view to their resale for recycling</li><li>■ development of profiles of professional knowledge and skills for key positions and implementation of professional standards for the qualification of employees</li><li>■ distribution of the new Occupational Safety Policy and raising the culture of safe behavior in the workplace</li><li>■ increasing the level of social protection of workers through the spread of various personal insurance mechanisms, including Non-state pension schemes (NSPS)</li><li>■ forming an open dialogue with suppliers of material and technical resources (MTR), creating a list of bona fide counterparties</li></ul>
KEY PERFORMANCE INDICATORS	<p><b>Strategical</b></p> <ul style="list-style-type: none"><li>■ Net profit</li><li>■ Profitability of sales</li><li>■ The ratio of the growth rate of receivables to the growth rate of revenue</li><li>■ EBITDA</li></ul> <p><b>Operational</b></p> <ul style="list-style-type: none"><li>■ Semi-fixed costs limit</li><li>■ Net working capital</li><li>■ Return on average capital employed</li><li>■ Profit margin</li><li>■ Collection of payments for electricity and capacity</li><li>■ Collection of payments for thermal energy</li><li>■ Net debt/EBITDA</li><li>■ Marginal wage growth rate</li></ul> <p><b>Project</b></p> <ul style="list-style-type: none"><li>■ Execution of a program to increase operational efficiency and reduce costs</li></ul>	<p><b>Operational</b></p> <ul style="list-style-type: none"><li>■ Production Reliability (Availability Ratio)</li><li>■ Repair program implementation</li><li>■ Investment program implementation effectiveness</li><li>■ Deviation of underpayment by capacity from the set value</li><li>■ Compliance with regulatory fuel reserves</li><li>■ Single source procurement reduction</li><li>■ Execution of the repair program as per deadline</li><li>■ Implementation of the investment program</li></ul>	<p><b>Strategical</b></p> <ul style="list-style-type: none"><li>■ Production safety</li></ul> <p><b>Operational</b></p> <ul style="list-style-type: none"><li>■ Effectiveness of priority projects</li><li>■ Implementation of activities of development projects</li><li>■ Heat energy consumer satisfaction index</li><li>■ Efficiency of work within the framework of antitrust control</li><li>■ Compliance with financial market disclosure requirements</li><li>■ Efficient work with real estate</li><li>■ No civil liability cases</li><li>■ No cases of non-provision of established regimes</li><li>■ Staffing level</li><li>■ Staff training and development</li><li>■ The amount of fines and penalties by regulatory authorities</li><li>■ Compliance with reporting deadlines</li><li>■ Effectiveness of claims work</li><li>■ Work efficiency in the framework of enforcement proceedings</li><li>■ The share of certified staff</li><li>■ Compliance with antitrust laws regarding procurement</li></ul>
RISKS	<ul style="list-style-type: none"><li>■ Reduction in demand for electric and thermal energy</li><li>■ Change in electricity prices</li><li>■ Change in prices for energy, services, materials and equipment</li><li>■ Lack of demand in the capacity market for a part of the generating capacities of the Company</li><li>■ Competition with more efficient electricity producers</li><li>■ Increased competition in the future, after the implementation of investment programs</li></ul>	<ul style="list-style-type: none"><li>■ Risk of increased defaults on electricity and heat supplied</li><li>■ Accidents due to physical deterioration of the asset</li><li>■ Failure to fulfill contractual obligations by contractors and partners</li><li>■ Risks associated with weather factors</li><li>■ Risks of financial and reputational losses in the implementation of investment projects</li></ul>	<ul style="list-style-type: none"><li>■ Risks of damage to the environment or its pollution</li><li>■ Risks of a terrorist threat</li><li>■ Risks associated with technological violations and accidents due to erroneous actions of staff</li><li>■ Corruption risks and risks of conflict of interests</li><li>■ Judicial risks</li></ul>



CHANGE OF STRATEGIC DEVELOPMENT PRIORITIES IN THE REPORTING YEAR

In the reporting year, there were no changes in strategic development priorities.

KEY PERFORMANCE INDICATORS

The use of the KPI system in OGK-2 improves the performance of governing bodies and gives the company an objective basis for a regular bonus system.

The list, methods of calculation and performance assessment, as well as target KPIs for 2020 were approved by OGK-2 JSC Order No. 292 dated November 10, 2020.

The KPI matrix for 2020 features 15 quarterly and 32 annual indicators in the following areas:

The decomposition of indicators by the Company's employees is based on the KPIs of the Company's top managers. The indicators are

- Indicators aimed at increasing the level of safety of production;
- Production indicators;
- Indicators for sales activity;
- Economic indicators;
- Indicators for procurement activities;
- Safety indicators;
- Indicators for investment activities;

cascaded down to the level of branch managers, executives and branch employees, with a focus on the achievement of structural divisions'

- Indicators for the Company's development;
  - Personnel management indicators.
- objectives, as well as individual goals and objectives.

EFFICIENCY IMPROVEMENT AND INVESTMENT ACTIVITY

EFFICIENCY PROJECT

435.9 million rubles effect from the implementation of the Action Plan to increase operating efficiency and optimize costs

The Company implemented the OGK-2 JSC Action Plan to increase operating efficiency and optimize costs for 2020. The 2021 Action Plan of OGK-2 to increase operating efficiency and optimize costs was compiled based on the principles defined in 2020.

The Action Plan to increase operational efficiency and optimize costs of OGK-2 is aimed at fulfilling the Company's potential in the main

type of activity and is formed in the following sections:

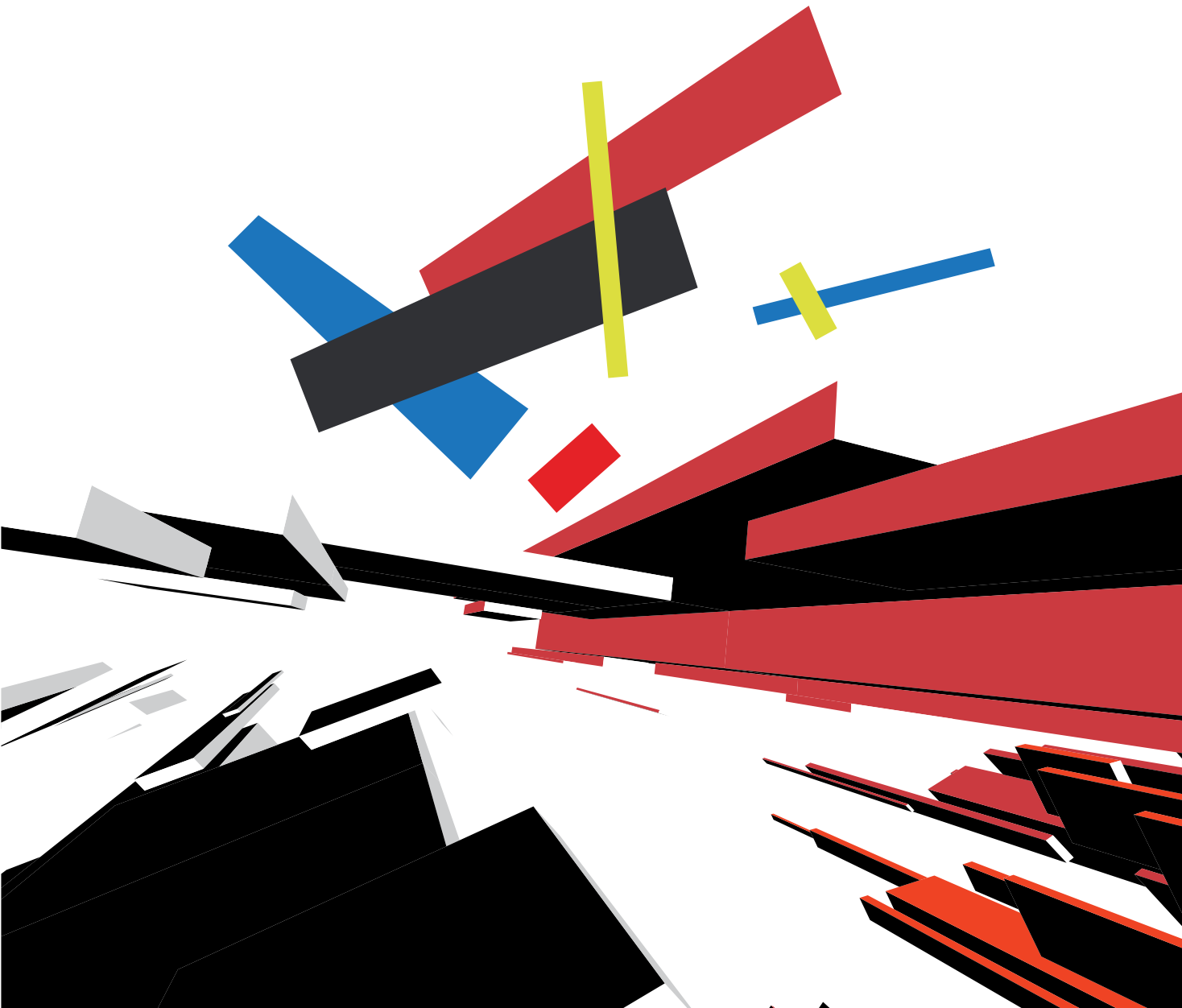
- Increased operational and investment efficiency.
- Organizational and structural measures aimed at improving the efficiency of activities.
- Ensuring technological independence.

Following the results of 2020, the effect of the implementation of the Plan approved by the Board of Directors of OGK-2 amounted to 435.9 million rubles.



KEY PERFORMANCE INDICATORS AND THE MATRIX OF RESPONSIBILITY FOR THEIR IMPLEMENTATION FOR 2020

Reporting period / group / name of the key performance indicator (KPI)	Managing Director	Deputy Managing Director - Chief Engineer	Deputy Managing Director for Economics and Finance	Deputy Managing Director for Energy Markets	Deputy Managing Director for Corporate and Legal Affairs	Deputy Managing Director for Corporate Security	Chief Accountant	Unit of Director for Development	Resource Supply and Procurement Unit	HR Unit
ANNUAL INDICATORS	100%	100%	100%	100%	100%	100%	100%	-	-	-
Strategic KPI	60%	40%	40%	40%	40%	40%	40%	-	-	-
Net profit	zeroing by group									
Normal business expenses	15%	10%	10%	10%	10%	10%	10%			
Industrial safety	15%	10%	10%	10%	10%	10%	10%			
The ratio of the growth rate of receivables to the growth rate of revenue	15%	10%	10%	10%	10%	10%	10%			
EBITDA	15%	10%	10%	10%	10%	10%	10%			
Operational KPIs	30%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Project	10%	10%	10%	10%	10%	10%	10%	10%	-	-
Implementation of the Action Plan to increase operating efficiency and optimize costs	10%	10%	10%	10%	10%	10%	10%	10%		



ACTUAL ECONOMIC EFFECT FROM THE IMPLEMENTATION OF THE ACTION PLAN TO INCREASE OPERATING EFFICIENCY AND OPTIMIZE COSTS, MILLION RUBLES

	2019		2020		2021
	Plan	Actual	Plan	Actual	Plan
Actual economic effect of the Action Plan to increase operating efficiency and optimize costs, million rubles	233.6	235.0	260.0*	435.9	130.4

\* Adjusted approved plan.

In order to monitor the implementation of the Action Plan for increasing operating efficiency, a system for monitoring the implementation of measures has been developed, incentive and incentive mechanisms have been

introduced. Work is underway to replicate best practices. The priority area of activity in 2021 is the further development of the Action Plan to increase the Company's operational efficiency, one of the

main directions of which is to increase the efficiency of work on equipment maintenance, reduce under-supply of power and improve the technical and economic indicators of operation of power units.

MANAGEMENT SYSTEMS

In 2019, the Company developed and implemented an energy management system in accordance with the requirements of the ISO 50001:2018 standard.

- ensuring sustainable development of the Company, taking into account the best practices in the field of energy conservation and energy efficiency;

ISO 50001:2018. The certificate of conformity was obtained in March 2020.

In accordance with the policy of energy conservation and energy efficiency, the priorities of OGK-2 JSC in the field of energy conservation have been identified:

- assistance in the implementation of the state strategy in the field of energy conservation and energy efficiency.

In the second half of 2019, the Company began the development and implementation of a Quality Management System in accordance with the requirements of ISO 9001:2015 and STO Gazprom 9001-2018.

The development of the system is based on mutual support of mutual coordination, unification of the quality management system of Gazprom Energoholding LLC and OGK-2 JSC due to their harmonization at the level of quality policy and goals, as well as through the implementation of a unified approach to the formation of the process model of the system management to ensure uniformity of business architecture of the management system of OGK-2 JSC with Gazprom Group companies.

- increase of the economic efficiency of the Company due to economy and rational use of energy resources;
- continuous improvement of energy efficiency of production activities by reducing specific fuel consumption for the supply of electric and thermal energy through the implementation of technical and operational-technical measures;

The purpose of the Company in the field of energy conservation and energy efficiency is to achieve planned savings in fuel and energy resources by branches and the Company in kind and in money terms for the period, subject to economic feasibility. A certification audit conducted by an independent expert organization confirmed the compliance of the functioning system with the requirements of the standard

INVESTMENT PROGRAM

Actual financing of capital investments is 9,437.8 million rubles

The main objectives of OGK-2 investment activities are to increase the capacity of power plants with high reliability, cost-effectiveness and overall performance, replace existing main generating equipment with new high-performance equipment, complete construction of new facilities

under the CSA and introduce modern technologies. In 2020, the actual financing of capital investment amounted to 9,437.8 million rubles. The actual financing of capital investment within the framework of the technical re-equipment and

reconstruction program in 2020 amounted to 8,470.4 million rubles, which is 43.8% higher than in 2019.

THE MOST SIGNIFICANT PROJECTS IMPLEMENTED IN 2020 AS PART OF THE TECHNICAL RE-EQUIPMENT AND RECONSTRUCTION PROGRAM

Projects	Benefits achieved
Kirishskaya GRES	
Modernization of automated process control systems for boilers of the CCGP (K-3T, K-5T)	Expansion of the software and hardware complex functions to a full-scale automated process control system of the boiler. Increasing the operational readiness and maneuverability of the equipment.
Technical re-equipment of KhVO-1 with the introduction of an automated process control system	Increasing the accuracy of the regulation of parameters determining the operation of equipment and the quality of the technological process of water treatment, minimizing the occurrence of emergency situations.
Installing current-limiting reactors on 330 kV open-type switchgear	Ensuring reliable and safe operation of 330 kV open-type switchgear equipment.
Surgutskaya GRES-1	
Technical re-equipment of instrumentation and automation of power unit No. 10 with the introduction of automated process control systems	Automated control of the entire technological process of electric power generation of a given quantity and quality has been implemented. Increasing the operational readiness and maneuverability of the power unit.
Technical re-equipment of HPH Nos. 5, 6, 7 of turbine unit under st. No. 3 with replacement of pipe systems	Improving the technical and economic performances of the main equipment.
Novocherkasskaya GRES	
As part of the ash dump reconstruction, the dam of section No. 4 was built-up from 16 meters to 21 meters	The usable volume of section No. 4 was increased to 3 mln m <sup>3</sup> .

ENERGY REPAIR ACTIVITIES

The main objective of the Company is to maintain the basic production assets in good operational condition at optimal costs for repairs and maintenance of equipment, buildings and structures.

In 2020, in order to ensure the required reliability of energy supply in accordance with the annual schedule of repair of the main equipment, overhaul and medium repairs were carried out on 11 turbines with a total capacity of 3,423 MW and 14 boilers

with a steam capacity of 11,700 t/h, as well as extended current repairs were performed. In addition, the repairs commenced in 2019 were completed:

- overhaul of Power Unit under st. No. 3 at Surgutskaya GRES-1 with a capacity of 215 MW and a steam capacity of 670 t/h;
- overhaul of 50 MW turbine st. No. 3T at Kirishskaya GRES;

- overhaul of boiler under st. No. 3T at Kirishskaya GRES with a steam capacity of 420 t/h;
- overhaul of 52 MW steam turbine under st. No. 20 at Adlerskaya TPP.

NEW GENERATION MAINTENANCE SERVICE

The most effective and technically sophisticated new generation facilities are given increased attention both during operation and in the organization of the maintenance service.

The Company has developed a set of measures aimed at timely service, taking preventive measures to reduce the risk of emergency situations and improving the reliability of equipment.

In order to ensure the power supply reliability, trouble-free and economical

operation of the equipment, minor inspections of gas turbines of the modern power units of two CCGTs-180 of Adlerskaya TPP, CCGT-450 of Cherepovetskaya GRES, CCGT-450 of Serovskaya GRES, a sophisticated main inspection (MI) of the gas turbine of GTU-11 of Adlerskaya TPP were performed in 2020.

The service maintenance of the power unit of STU-330 of Novocherkasskaya GRES with a unique and single boiler in Russia with a circulating fluidized bed

(CFB) and the power unit of STU-660 of Troitskaya GRES constructed based on imported elements, was performed by designated companies.

Furthermore, in 2020, works were commenced on main inspections of GTU-22 at Adlerskaya TPP, GTU-62, GTU-63 of CCGT-800 unit at Kirishskaya GRES, scheduled to be completed in February 2021.

INNOVATIVE DEVELOPMENT PROGRAM

Power industry is an industry in which modern technologies are actively applied. To maintain competitiveness, OGC-2, like other large electricity companies, conducts research and development in the field of increasing production efficiency and introducing innovative technology.	A significant role in this process is performed by scientific and technical and experimental design work (R&D).  One of the projects completed in 2020 was carried out by Serovskaya GRES, a branch of OGC-2 JSC – this was cleaning-in-place of the heat exchange surfaces of plate heat exchangers.	An innovation project for developing technology and piloting production of thermal barrier tiles for gas turbines has shifted to 2021.
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INFORMATION TECHNOLOGY

In 2020, the implementation of an electronic document management information system (hereinafter, EDMS) started in the Executive Office and branches of the Company. In accordance with directives of the Government of the Russian Federation and orders of Gazprom PJSC, aimed at import substitution of software, the EDMS is implemented on the basis of the Sputnik ECM platform, which has been developed by the Russian company KORUS Consulting DM and registered in the Register of Russian Software under No. 3486 on May 03, 2017.  The transition to the EDMS Sputnik ECM will help the Company achieve the following objectives:	based on the Sputnik ECM platform;  • a significant increase in the speed of operations in the system;  • providing support for an extended list and current browser versions (Internet Explorer, Yandex.Browser, FireFox, Chrome, Opera);  • a decrease in equipment utilization;  • transfer of more than 2 million documents, registered within the Company over 14 years, to the new system.  • The implementation of this project will strengthen the position of the Company's IT solutions in terms of:	• activities aimed at import substitution and reducing dependence on foreign suppliers;  • increasing the level of information security.  In 2020, the server infrastructure was upgraded at OGC-2 JSC branches – Pskovskaya GRES, Kirishskaya GRES, Novocherkasskaya GRES and Adlerskaya TPP. This upgrade enabled the transformation of the current computing infrastructure into a high-tech hardware platform designed to improve fault-tolerance of services, and to effectively address current and future challenges, and it will significantly improve the reliability of the Company's operations.
• replacement of the outdated EMC Documentum 5.3 platform with a Russian software solution		

Main participants in the RM&ICS:	The Company's Risk Management and Internal Control Policy applies to the structural units of the Company (including branches), its subsidiaries and organizations.	The principle of continuity (functioning).
• Board of Directors of the Company;		The principle of interaction and collegiality.
• Audit Committee of the Board of Directors of the Company;		The principle of responsibility.
• Sole Executive Body of the Company (Managing Organization of the Company);	The risk management and internal control policy defines the following objectives:	The principle of separation of duties.
• Managing Director of the Company;	• ensuring sufficient confidence in achieving the objectives of the Company;	The principle of evaluating the results.
• Structural divisions of the Company;	• ensuring proper control of the financial and economic activities of the Company.	The principle of structuring and operational efficiency.
• Business process owners;	The organization of the risk management system implements the following basic principles:	The principle of a single regulatory environment.
• Owners (Co-owners) of risks;	The principle of systemacity (integration).	The principle of economic feasibility.
• Responsible for the implementation of risk management measures;	The principle of complexity.	The principle of three lines of defense.
• Risk coordinators;	The principle of compliance (with goals).	
• Owners (Co-owners) of internal control procedures;	The principle of sufficient confidence.	Risk management and internal control activities provide for the continuous operation of system components.
• Responsible for monitoring the implementation of internal control procedures;	The principle of adaptability and development.	
• Center of responsibility for risk management and internal control.	The principle of materiality and resource support.	

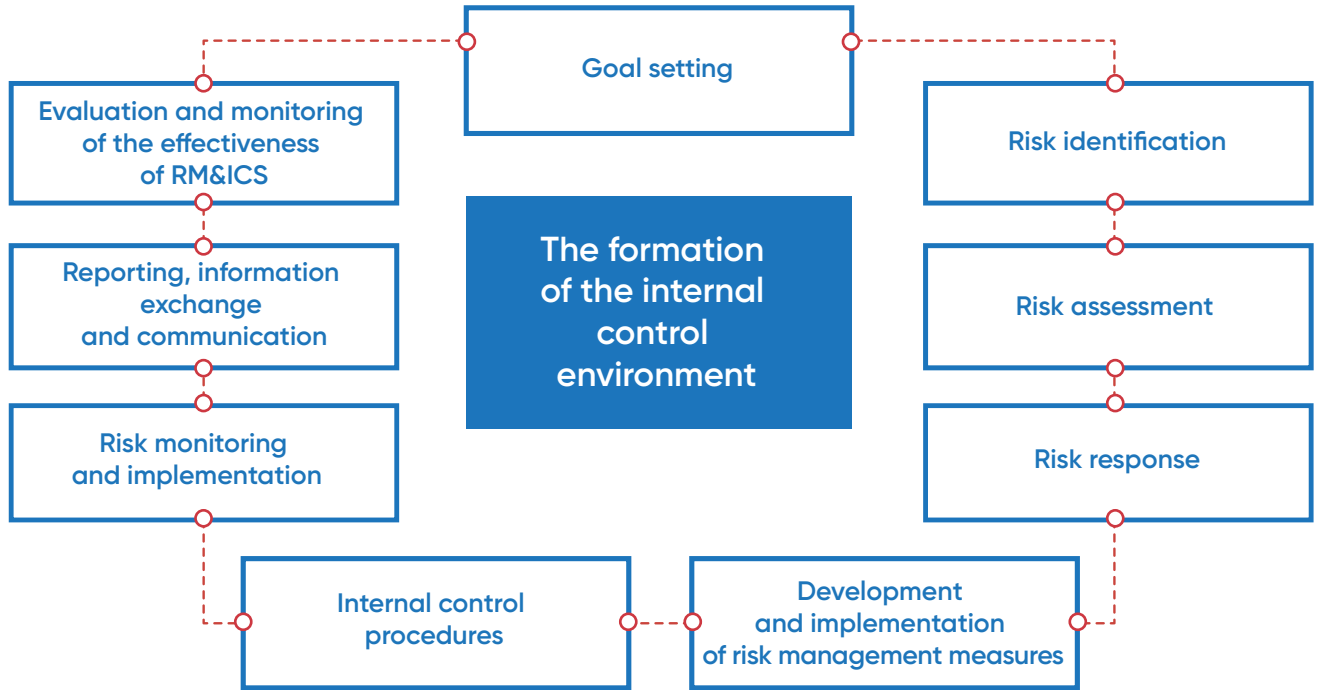
PLANS FOR 2021:
1. Completion of the works associated with the implementation of an electronic document management system based on the Sputnik ECM platform;
2. Modernization of the server infrastructure at Ryazanskaya GRES, Serovskaya GRES, Stavropolskaya GRES and Surgutskaya GRES-1.

RISK MANAGEMENT

CORPORATE RISK MANAGEMENT SYSTEM

Recognizing that the implementation of activities is subject to uncertainties in the form of risks, OGC-2 JSC takes risk management measures in order to provide sufficient guarantees to achieve the goals set for the	Company. The Company has developed and approved by a decision of the Board of Directors (Minutes No. 223 dated September 30, 2019) and has a Risk Management and Internal Control Policy that defines the goals,	objectives and components of the risk management and internal control system, the principles of its functioning, as well as the functions of participants in the risk management and internal control system.
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KEY PROCESSES ENSHRINED IN THE OGC-2 JSC RISK MANAGEMENT AND INTERNAL CONTROL POLICY



In accordance with the organizational structure of the Executive Office of OGK-2 JSC, approved by decision of the Board of Directors (Minutes dated December 17, 2019), a Risk Management and Internal Control Department has been in place at the Company since March 1, 2020. The

Department is responsible for solving tasks and performing functions within the process of risk management and internal control, methodological support for implementing the Company's risk management and internal control policy, and interaction with structural divisions of the

Company. The structural divisions – owners of the Company's risks carry out risk identification, risk assessment, development and implementation of risk management measures, monitoring of risks and measures.

RISK MANAGEMENT ACTIVITIES IN 2020

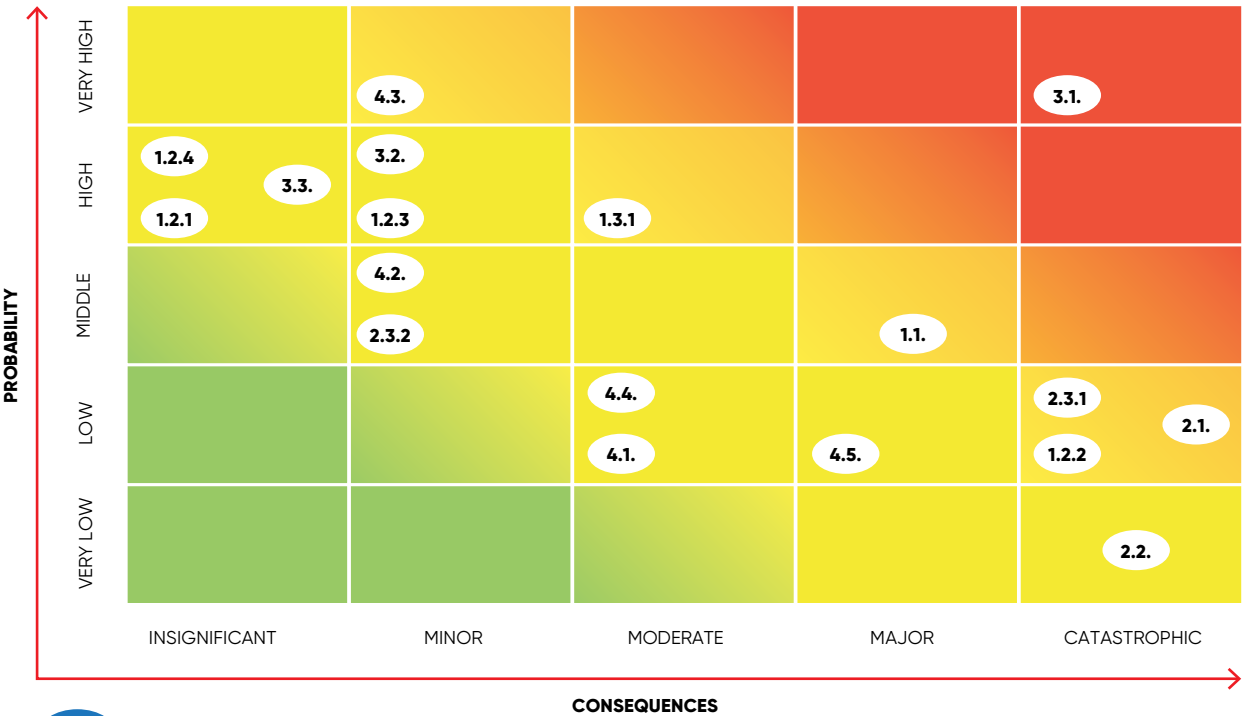
In 2020, as part of the development of the risk management and internal control system, the Company carried out the following activities:

- By Order No. 133 dated May 14, 2020, the Company enacted the Regulations on the Operational Risk Management System of OGK-2 JSC.
- By Order No. 160 dated June 15, 2020, the Company approved the Methodological Recommendations for Determination of Key Risk Indicators of OGK-2 JSC.
- By Order No. 236 dated September 07, 2020, the Company approved the Risk Classifier of OGK-2 JSC.

- By Order No. 306 dated December 04, 2020, the Company approved the Methodological Recommendations for Risk Management Using Qualitative Assessments of OGK-2 JSC.
- By Order No. 306 dated December 04, 2020, the Company approved the Key Risk Indicators of OGK-2 JSC.
- By Order No. 306 dated December 04, 2020, the Company updated the Register of Key Risks of OGK-2 JSC, specifying risk owners, risk coordinators by area, and the Company's risk passport.
- By Order No. 182 dated July 15, 2020, the 2nd edition of the "Regulations on the Risk Management and Internal

- Control Department of the Executive Office of OGK-2 JSC" was approved.
  - By Decree No. 34-R of July 15, 2020, the 2nd edition of the "Job Description of the Chief Specialist of the Risk Management and Internal Control Department" was approved.
  - By Order No. 328 dated December 28, 2020 "On the implementation of the quality management system, QMS", the map of the "risk management" process was approved.
- Reporting on the Risk Management and Internal Control System was prepared and approved following the results of 2020.

RISK MAP<sup>9</sup>



№ According to the numbers in the table "Classification of risks of OGK-2 and their significance"

KEY RISK REGISTER OF OGK-2 JSC FOR 2020

Risk type	Risk description	Management / impact on risk
<b>1. Branch risks</b>		
1.1. Risk of the Company's reduced marginal profit from electricity sales	As a result of decreased demand on the electricity market and increased competition on the electricity market, there is a risk of reduced electricity sales, resulting in lower marginal profit.	Decommissioning of equipment whose operation is not economically feasible.  Using of the most suitable trading strategies in the wholesale electricity and capacity market.
<b>1.2. Production and technical risks</b>		
1.2.1 Risk of untimely repair works. Violation of the scope and quality of the works under the repair program	Failure to commission equipment in a timely manner as a result of untimely repair works.	Ensuring timely conclusion of repair contracts, quality planning of repair works at all branches.  Ensuring continuous monitoring by branches of the repair works, compiling schedules for each overhaul.  Ensuring control over the supply of equipment (materials).
1.2.2. Risk of failure to meet the deadlines for commissioning of facilities from technical re-equipment and reconstruction	Modernization of a generating facility, modernization of technical security equipment, construction of a start-up and heating boiler plant for the power unit needs, technical re-equipment of instrumentation and automation, technical re-equipment of a booster compression plant, boiler unit, turbine unit under st. No. 3, reconstruction of a chimney, technical re-equipment of high-pressure heaters Nos. 5, 6, 7 of turbine unit under st. No. 3, with replacement of piping systems.	Including measures for penalties in the terms and conditions of the work contract in case of failure to comply with the schedule of work performed.  Enforcing deadlines for a comprehensive schedule of key events.
1.2.3. Risks of technological breakdowns and accidents	Emergency shutdowns of main and auxiliary equipment due to violations of equipment operating rules by employees.	Quality training of employees under individual programs before they are allowed to work independently. Optimization of operation mode: work/ rest. Rational equipment of the workplace. Conducting emergency response drills, working out information about accidents.
1.2.4. Risk of rise in project costs and failure to meet the Company's needs in works, goods and contractual services	Overstatement of the cost of works and services calculated as per labor costs at the stage of formation of the initial (maximum) purchase price.	Further study of the market conditions of procurement item. Use of all available sources of information in order to collect data in determining the initial (maximum) prices. Performance of work and provision of services based on the results of competitive procedures. Further training in the field of pricing for the employees of the initiator (unit) of procurement of work and services

<sup>9</sup> Risk map is an assessment of the likelihood of the implementation of risks and their consequences for the activities of the Company at the end of 2020.



Risk type	Risk description	Management / impact on risk
<b>1.3. Regulatory risks</b>		
1.3.1. Risk of deterioration of the Company's performance indicators as a result of the adoption/amendment of regulatory legal acts governing the activities of electric power industry entities, including the rules of the wholesale electricity market, regulatory acts in the field of heat supply	Changes in legislation in the field of electricity and heat supply and other related energy sectors significantly affect the company's activities because: – the Company, as an economic entity on the territory of the Russian Federation, must carry out its activities within the framework of the current legal field and comply with federal, regional and municipal requirements; – the branches of the Company's activities are recognized as socially significant and therefore are controlled and regulated by the state, thereby the state influences the activities of business entities within the framework of the current legislation. Therefore, there is an increased risk of deterioration of the Company's performance indicators as a result of the adoption/amendment of regulatory legal acts governing the activities of electric power industry entities. It is necessary to monitor changes in the legislation and timely respond to relevant changes for ensuring compliance with the Company's interests.	Preparation and direction of positions, risks affecting the industry. Regular monitoring and discussion of changes in the regulatory legal acts. Conducting model calculations.
<b>2. Legal risks</b>		
2.1. Risk of performance of a judicial act giving rise to obligations for the Company	Failure to satisfy claims and demands made by/against the Company (debt collection, compensation for damages, protection of property rights).	Participation in training seminars, round tables, forums.  Regular internal meetings and meetings with legal departments of the branches on changes in the legislation and judicial practice.
2.2. Risk of liability to pay penalties and/or damages under the Framework Agreement due to a breach of the terms and conditions of the Framework Agreement	Risk of non-compliance with the terms and conditions of the sales agreement for Krasnoyarskaya GRES-2 property dated December 31, 2019. Settlement of personnel management issues.	Imposing restrictions on the transfer of employees to other branches of the Company and to organizations within the Gazprom Energoholding Group.
<b>2.3. Regulatory risks</b>		
2.3.1. Risk of claims/sanctions from tax authorities	Risk of additional accrual of property tax.	Judicial settlement measures, in case of disagreement, after receipt of opinion based on on-site tax audit.
2.3.2. The risk of sanctions by regulatory authorities for violations of environmental law	Violations of environmental law identified by the state environmental supervision bodies that were not eliminated within the prescribed period through the fault of the risk owner.	Monitoring of compliance with the terms for the implementation of measures aimed at the elimination of environmental law violations.

Risk type	Risk description	Management / impact on risk
<b>3. Financial risks</b>		
3.1. Credit risk/Deterioration of payment capacity of electricity and heat consumers	Increase in overdue receivables due to untimely fulfillment of payment obligations under sales and purchase contracts in the wholesale electricity and capacity market and withdrawal of counterparties' status of a wholesale electricity and capacity market entity.  Increase in overdue accounts receivable for heat and heat-transfer medium due to untimely or incomplete fulfillment of financial obligations by the counterparties.	Monitoring of counterparties in the wholesale electricity and capacity market. Monitoring of timely fulfillment of obligations by counterparties by the key date of payment. Conclusion of contracts with determination of payment terms and settlement procedure. Awareness-raising work among consumer related to the need of payments with a description of the liability for delays in accordance with the norms of the current legislation. Conducting claim-related work. Involvement of Administration in the regions of presence. Entering into an agreement for assignment of right (demand) for a debt. Applying heat supply restriction measures for certain categories of consumers, with resumption after full payment of arrears.
3.2. Currency risk	Risk of adverse changes in the fair value of liabilities denominated in foreign currencies under the influence of changes in exchange rates, as well as risk of changes in expenses denominated in foreign currencies under the influence of exchange rates.	Monitoring of the exchange rate and, if necessary:  – creation of a liquidity reserve in foreign currency for the fulfillment of obligations of companies pegged to the exchange rate;  – conclusion of hedging transactions using derivative financial instruments on the basis of current agreements on futures transactions in financial markets (RISDA).  Providing a regular (on a quarterly basis) assessment of the currency risk of the Company, generating reports on the exposure of the Company to currency risk for the management of the Company and other users of information. In case of high exposure of the Company to currency risk – change of the agreed (contractual) conditions, including the introduction of currency clauses in the Company's contracts, amendment of the terms of payment under such contracts.  Optimization of the currency structure of the raise/deposit portfolio of the Company.
3.3. Risks of non-performance of contracts (by the municipality/administration of the city)	Refusal to receive compensation under the Agreement between the City District Administration and OGK-2 Serovskaya GRES. In order to provide heat supply to the Energetikov and Pristantsionny settlements from Serovskaya GRES – branch of OGK-2 JSC, in view of the absence of other sources of heat supply, Agreement No. 22-08/18-100 was concluded between the City District Administration and OGK-2, which binds the Administration with an obligation to reimburse costs and losses associated with the continuation of the supply of heat energy and heat-transfer medium, including the costs for equipment maintenance.	Development of mechanisms and grounds for receiving compensation.

Risk type	Risk description	Management / impact on risk
<b>4. Risks associated with the Company's activities</b>		
4.1. Environmental risks	Changing the hazard class of ash and slag waste.	Controlling the fuel quality characteristics. Controlling the fuel combustion process.
4.2. Risk of failure to submit price bids due to malfunction of IT systems	In case of IT system malfunctions related to the work of desktop computers, software installed on them and digital signature keys, there are risks of not being able to submit (adjust) price bids in the market.	Providing additional independent laptops having long battery life and capable of connecting to unlimited high-speed Internet in the event of a failure of IT systems and software applications in the company's office.
4.3. Risk of failure to meet staffing needs due to the proliferation of a new coronavirus infection	Risk of staff shortages for ensuring the stable functioning of the Company due to increased staff sickness rates, isolation of employees and transfer to a remote working mode (as part of measures to counter the proliferation of a new coronavirus infection).	Organization of training for standby shift personnel. Additional labor costs for personnel engaged in the operational management and maintenance of electrical installations. Conducting 100% thermometric checks when attending the workplace. Organizing regular testing of personnel. Informing personnel about prevention and epidemiological measures. Changing personnel working hours. Organizing and supervising the remote working of personnel. Organizing additional service vehicle routes for the delivery of personnel. Conducting disinfection in the premises.
4.4. Asset loss risk	Committing an act of unlawful interference at a generating facility.	Provision and maintenance of sufficient level of physical protection at the facility (provision of the complex of technical security equipment at the facility, maintaining its operability; ensuring physical security of the facility; provision of safety regimes at the facility).
4.5. Degradation of business reputation	Deterioration of the Company's corporate image.	Conducting kick-off meetings on the need for harmonization of information materials. Development of a regulatory document governing the procedure for coordination and submission of information in the media.

## MANAGING SUSTAINABLE DEVELOPMENT RISKS

The risk management and internal control system of OGK-2 includes, among other things, identification, monitoring and management of risks related to sustainable development.

The identified risks include environmental, social, reputational and other sustainability risks.

The impact of climate change, biodiversity and information security risks on the Company's activities is assessed as minimal.

**The description of the risks is available in the Report on Sustainable Development of production companies of the Gazprom Energoholding Group: <https://www.ogk2.ru/rus/about/social/>**

## SYSTEM OF PROCUREMENT ACTIVITIES

### RELATIONS WITH SUPPLIERS

We build relationships with all our suppliers, regardless of their share in the supply structure, on the principles of responsible partnership. We strive to maintain long-term, stable,

mutually beneficial relationships with suppliers. OGK-2 is constantly working to improve the stability of supply, as well as transparency of pricing. We select suppliers and contractors mainly

on a competitive basis and strive to work with contractors who have an impeccable reputation, comply with the law, as well as corporate and business ethics.



### PROCUREMENT ACTIVITIES

**5.5% achieved a positive effect from the initial (maximum) price of competitive purchases (excluding fuel purchases) in 2020**

The goals of the OGK-2 procurement system are the cost-effective spending of financial resources, timely and complete satisfaction of the needs for goods, work, services, taking into account the safety of hazardous production facilities, as well as the implementation of measures aimed at reducing the Company's costs, improving the order and increasing the efficiency of procurement.

- creating conditions that increase competition between procurement participants;
- balance of costs for organizing and conducting procurement procedures and expected economic benefits from their results.

4. Organization of the examination system and preparation of expert opinions during the procurement process for submission to the Procurement Commission for consideration.
5. Organization and conduct of all stages of the procurement procedures in accordance with the AIPP of the Company.

The main document determining the procurement policy of the Company is the Regulations on the procurement of goods, works and services. This document defines a unified methodological basis for ensuring efficient procurement procedures conducted mainly on a competitive basis.

The Company Procurement System includes:

Basic principles of procurement:

- disclosure;
- transparency;
- equality;
- development of fair competition;
- expansion and simplification of access of participants to purchases;

1. Organization and monitoring of the market of material and technical resources in order to expand the competitive environment and make decisions in the course of procurement.
2. Improvement of the unified regulatory and reference information system for resource supply.
3. Organization of work on the formation, coordination and approval of projects of the annual integrated procurement program (AIPP) in accordance with corporate requirements.

6. Formation, coordination and control of the implementation of supply contracts, services, work.
7. Formation of consolidated reporting on procurement activities to the management bodies of the Company.
8. Decrease in the level of unproductive diversion of capital to stocks.
9. Optimization of stock balances, including through the sale of unclaimed material and technical resources and recyclable waste.



All procurements organized on a competitive basis in 2020 were carried out in electronic form on the websites of the National Electronic Platform (www.etp-ets.ru), the Automated Trading System "Sberbank-AST" (www.sberbank-ast.ru) and the Trading System "GazNeftetorg.ru" (www.gazneftetorg.ru). Based on the results of organizing competitive procurement procedures in 2020, a positive effect was achieved in the amount of 5.5% of the

initial (maximum) price of competitive procurements (excluding fuel purchases). In 2020, OGK-2 complied with the requirements of Decree of the Government of the Russian Federation dated December 11, 2014 No. 1352 with respect to the annual volume of contracts concluded as a result of procurement, of which only small and medium-sized enterprises are participants. In 2020, the volume of contracts concluded on

such purchases amounted to 25.2% of the total annual volume of contracts concluded by OGK-2 based on the results of all purchases, with the established regulatory value of 18%. Cash flow from the sale of unclaimed material and technical resources and recyclable waste in 2020 amounted to 71.7 million rubles without VAT.

SUPPLY CHAIN<sup>10</sup>

The main resource procured by OGK-2 for the production of electric and thermal energy is fuel. In accordance

with the reporting data prepared according to RAS standards, fuel costs also prevail in the structure of

the variable costs of the Company:

Type of fuel	The cost of spent fuel, million rubles				Share of fuel costs in variable costs according to RAS, %		
	2018	2019	2020	Change 2020/2019, %	2018	2019	2020
Gas	48,857	46,362	39,907	-13.9%	64.80%	68.25%	+68.65%
Coal	13,210	12,131	10,865	-10.4%	17.51%	17.86%	+18.69%
Fuel Oil	342	214	153	-28.5%	0.28%	0.31%	+0.26%
Diesel fuel	6	25	3	-88.0%	0.01%	0.04%	+0.01%
Total	62,415	58,731	50,928	-13.3%	77.91%	86.46%	+68.65%

In 2020, fuel costs amounted to 50,928 million rubles, which is 13.3% lower than in 2019.

In 2020, the cost of gas consumed decreased by 13.9% compared to 2019.

The largest decrease occurred at Kirishskaya GRES (-3,962 million rubles), Surgutskaya GRES-1 (-1,819 million rubles) and Stavropolskaya GRES (-1,265 million rubles). Gas costs have also decreased at Cherepovetskaya GRES (-496 million rubles), Novocherkasskaya GRES

(-308 million rubles), Pskovskaya GRES (-68 million rubles) and Ryazanskaya GRES (-60 million rubles). The main reason for the decrease was a change in generation due to the current pattern and mode situation in the UES of Russia. Meanwhile, the remaining branches saw

an increase in gas costs of 1,523 million rubles compared to 2019, influenced by higher output and higher gas prices.

In 2020, the cost of coal consumed decreased by 10.4% compared to 2019.

The largest decrease of coal costs occurred at Krasnoyarskaya GRES-2 (-1,333 million rubles) due to the change of the pattern and mode situation in the Siberian UPS and the transfer of operational control of Krasnoyarskaya GRES-2 to the Siberian Generating Company from October 01, 2020; at Troitskaya GRES (-448 million rubles) due to the change of the pattern and mode situation in the Ural UPS; at Serovskaya GRES (-5 million rubles) due to the decommissioning of coal generation. At the same time, there was an increase in coal costs at individual branches:

Novocherkasskaya GRES (+320 million rubles) due to the increase in coal prices; Cherepovetskaya GRES (+164 million rubles) due to the decommissioning of coal generation at Cherepovetskaya GRES from January 01, 2021, the SNLT was reduced for the branch and coal was combusted; Ryazanskaya GRES (+36 million rubles) due to the increase in coal prices.

The cost of fuel oil consumed decreased by 28.4% in 2020. The main reason was a decline in output at Krasnoyarskaya GRES-2 and Troitskaya GRES.

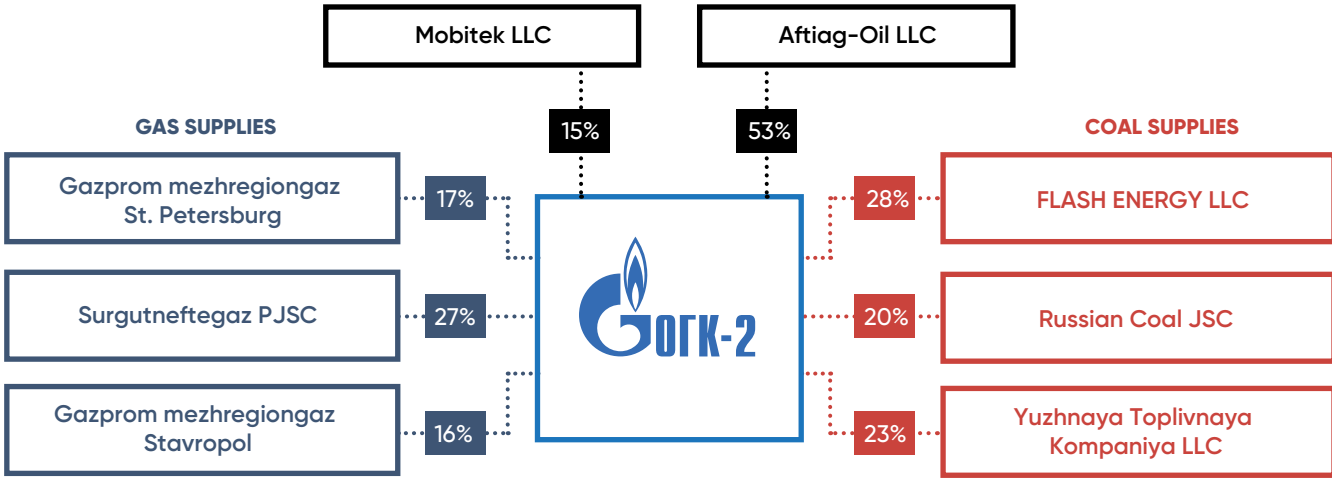
The decrease in diesel fuel costs by 89.8% is due to the pre-commissioning works involving combustion of diesel fuel at Groznenskaya TPP, a branch of OGK-2 JSC to be commissioned in 2019.

The strategy of OGK-2 JSC in the field of fuel supply is aimed at optimizing the fuel balance in order to minimize costs. It provides for the maximum possible replacement of expensive fuel with other types of fuel, the purchase of fuel through competitive procedures, the conclusion of long-term contracts for the supply of fuel.

<sup>10</sup> Data in the section is presented in accordance with RAS.

The Company's capacities are dispersed across 12 regions of Russia. In this regard, OGK-2 JSC actively cooperates with regional coal suppliers and optimizes fuel costs through the use of gas and various types of coal by power plants. Coal from the Kansk-Achinsk, near-Moscow, Borodino, Pereyaslov, Rostov and Ekibastuz open casts is supplied to the branches of OGK-2 JSC mainly under long-term supply contracts.

SCHEME OF THE 2020 FUEL SUPPLY CHAIN SHOWING THE MOST SIGNIFICANT SUPPLIERS



The supply chain of OGK-2 JSC reflects the most significant suppliers and their share in the Company's expenses for the purchase of the

main types of raw materials used – gas, coal, fuel oil and diesel fuel. When selecting the most significant suppliers, we were guided by the

principle of materiality – the scheme shows suppliers whose share is more than 10% in the total cost of deliveries of this type of raw material for 2020.

DYNAMICS OF THE DISTRIBUTION OF SHARES BETWEEN MAJOR GAS SUPPLIERS IN 2018–2020

Supplier	Share in the total gas supply cost, %		
	2018	2019	2020
Gazprom mezhregiongaz St. Petersburg LLC	17%	23%	17%
Gazprom mezhregiongaz Rostov-on-Don LLC	10%	less than 10%	10%
Surgutneftegaz PJSC	24%	26%	27%
Gazprom mezhregiongaz Stavropol LLC	25%	16%	16%

DYNAMICS OF THE DISTRIBUTION OF SHARES BETWEEN MAJOR COAL SUPPLIERS IN 2018–2020

Supplier	Share in the total coal supply cost, %		
	2018	2019	2020
Russian Coal JSC	16%	19%	20%
Gaz-Alyans LLC	37%	34%	less than 5%
Yuzhnaya Toplivnaya Kompaniya LLC	10%	15%	23%
FLASH ENERGY LLC	less than 2%	less than 5%	28%

Factors of changes in the distribution of shares between the main coal suppliers in 2020 compared to 2019:

- Due to the termination of supplies by Gaz-Alliance LLC in 2020, the volumes were redistributed among the existing suppliers.

# DYNAMICS OF THE DISTRIBUTION OF SHARES BETWEEN MAJOR FUEL OIL AND DIESEL FUEL SUPPLIERS IN 2018–2020

Supplier	Share in the total cost of fuel oil and diesel fuel supplies, %		
	2018	2019	2020
Nova Group LLC	29%	less than 10%	–
Krasnoyarskaya Toplivnaya Kompaniya LLC	15%	less than 10%	–
GC EKS JSC	26%	19%	–
Mobitek LLC*	–	32%	15%
Aftiag-Oil LLC**	–	–	53%

\* In 2018, Mobitek LLC did not supply fuel oil and diesel fuel.

\*\* In 2018–2019, Aftiag-Oil LLC did not supply fuel oil and diesel fuel.

## 1.7 Analysis of performance results

### INSTALLED CAPACITY

#### INFORMATION ABOUT POWER PLANTS AS OF DECEMBER 31, 2020\*

Power plant	Installed electric capacity, MW	Installed thermal capacity (including boilers), Gcal/h
Surgutskaya GRES-1	3,333	903
Ryazanskaya GRES	3,020	212.5
Kirishskaya GRES	2,555	1,070
Stavropolskaya GRES	2,423	145
Novocherkasskaya GRES	2,258	60
Troitskaya GRES	1,321	210
Cherepovetskaya GRES	1,080	39
Serovskaya GRES	451	0
Pskovskaya GRES	440	116.8
Adlerskaya TPP	367	70.4
Groznenskaya TPP	360	0
<b>Total (exclusive of Krasnoyarskaya GRES-2)</b>	<b>17,608</b>	<b>2,826.7</b>

\* More information on OGK-2 power plants is available in Appendices 1, 5.

### DECOMMISSIONING OF CAPACITIES

Branch	Equipment	Decommissioned 2020
Branch of OGK-2 JSC – Ryazanskaya GRES	GTE-110 (110 MW)	from September 01, 2020
Branch of OGK-2 JSC – Kirishskaya GRES	TG-6t (40 MW, 164 cal/h)	from October 01, 2020



## OPERATING INDICATORS

In 2020, OGK-2 generating capacities ensured the stable operation of power plant equipment and a reliable

supply of heat and electric energy to consumers.

#### KEY OPERATING RESULTS FOR 2018–2020 AND PLANNED RESULTS FOR 2021

Indicator	2018 (actual)	2019 (actual)	2020		Change 2020/2019, %	2021 (plan)
			plan	actual		
Generation of electricity, million kW*h	58,919.4	54,688.1	56,876.1	44,247.3	–19.1	48,417.0
Net electricity supply, million kW*h	54,949.5	51,050.2	53,289.2	41,236.9	–19.2	–
Thermal energy generations (supply from collectors), thousand Gcal	7,007.2	6,647.4	6,376.9	5,844.0	–12.1	5,577.9
Net supply of thermal energy, thousand Gcal	6,702.1	6,345.5	6,122.8	5,586.9	–12.0	5,352.8
SRFC for electricity supply, g/kW*h	331.6	325.0	328.5	326.5	+0.5	317.7
SRFC for thermal energy supply, kg/Gcal	152.9	165.2	163.9	164.7	–0.3	163.3
ICUF, %	36.2	33.0	34.1	27.0	–6.0	33.5
Fuel consumption, thousand tons of standard fuel	19,516.5	17,883.1	18,684.7	14,582.1	–18.5	–
– Coal	5,381.4	4,564.8	5,228.5	3,301.3	–27.7	–
– Gas	14,099.1	13,295.3	13,442.6	11,261.7	–15.3	–
– Fuel Oil	35.9	22.9	13.7	19.1	–17.0	–

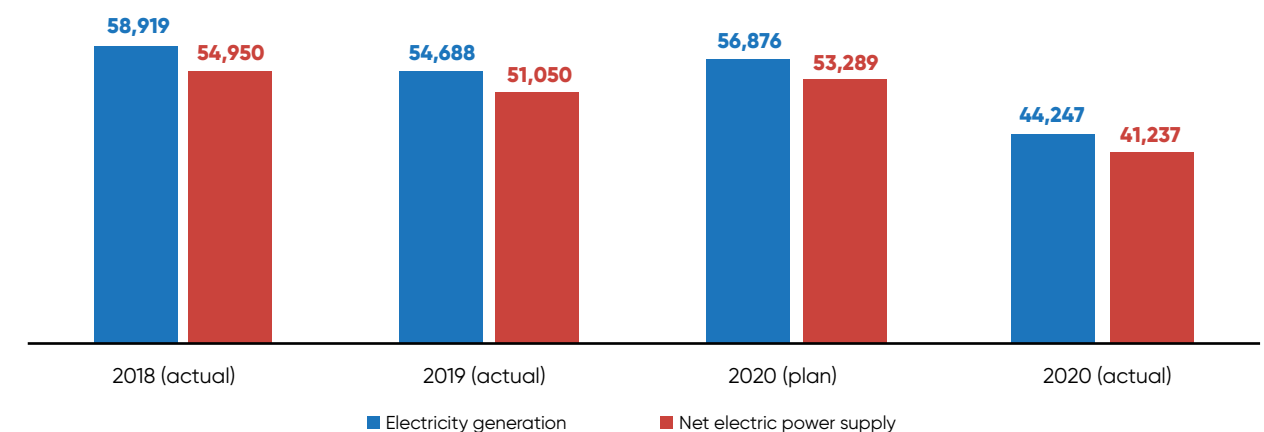
### ELECTRICITY GENERATION<sup>11</sup>

The volume of electricity generation by OGK-2 JSC power plants was 44,247.3 million kW\*h in 2020, which is 19.1% less than in 2019 (54,688.1 million kW\*h).

The OGK-2 JSC share of generation in the Russian electricity market declined from 6.4% to 4.2% between 2016 and 2020. The main reasons for reducing production:

- strategy to minimize the composition of the included generating equipment of Ryazanskaya GRES, Novocherkasskaya GRES, Stavropolskaya GRES, Pskovskaya GRES aimed at reducing the operating time of non-marginal equipment by generating price bids when calculating the choice of the composition of the turned-on generating equipment;
- reduction of equipment load at Krasnoyarskaya GRES-2 and transfer to the new owner on October 01, 2020;
- reduction of equipment load at Surgutskaya GRES-1, Kirishskaya GRES, Cherepovetskaya GRES and Troitskaya GRES on behalf of the System Operator / decrease in demand for generation in the UPS.

#### GENERATION AND NET SUPPLY OF ELECTRICITY, MILLION KW\*H



<sup>11</sup>The distribution of generation and net supply of electricity among OGK-2 power plants is presented in Appendix 1.

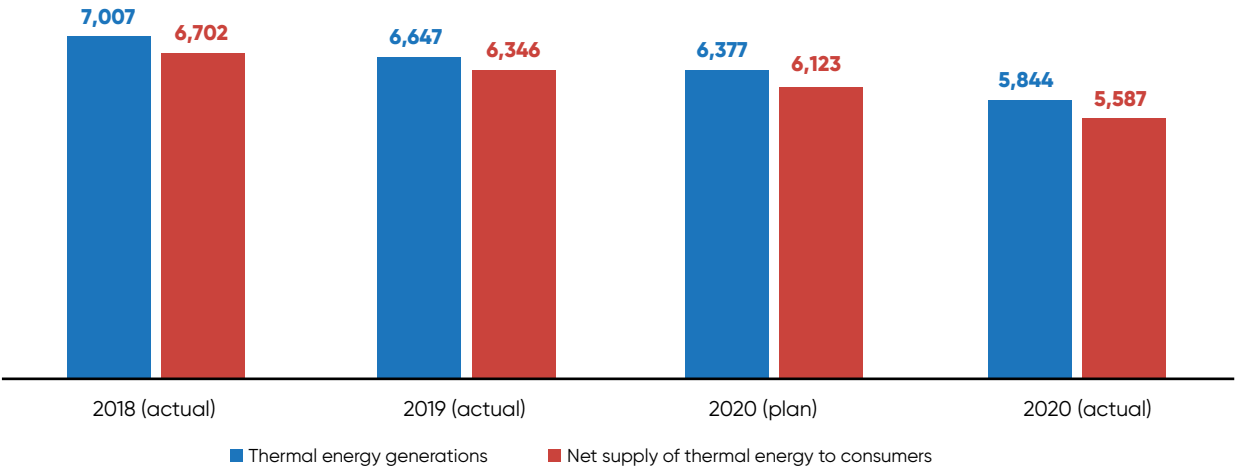
THERMAL ENERGY GENERATIONS <sup>12</sup>

Heat output from the collectors across OGK-2 JSC as a whole was 5.6 million Gcal in 2020, which is 12.0% less than in 2019 (6.3 million Gcal).

Kirishskaya GRES and Surgutskaya GRES-1 account for the bulk of heat output from the collectors of OGK-2 JSC.

Thermal energy production by OGK-2 JSC is seasonal. The bulk of the supply of thermal energy falls on the period from October to April.

GENERATION AND NET SUPPLY OF THERMAL ENERGY, THOUSAND GCAL



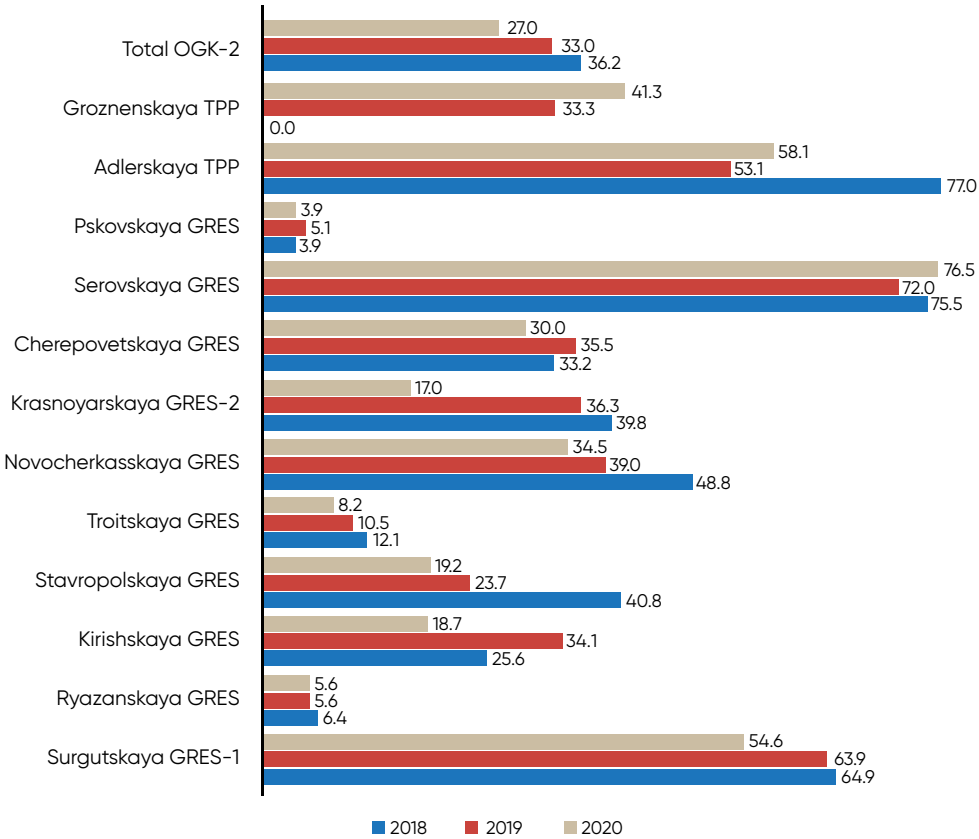
INSTALLED CAPACITY UTILIZATION FACTOR

The ICUF indicator directly depends on the electricity generation by plants, which varies depending on the demand for electricity.

In 2020, ICUF decreased by 6.0%, compared to 2019. In 2020, the highest ICUF of 76.5% was observed at Serovskaya GRES. In 2020, the

highest ICUF growth compared to 2019 occurred at Groznenskaya TPP (+8.0%).

DYNAMICS OF CHANGE OF THE ICUF OF OGK-2 PLANTS IN 2018–2020, %



<sup>12</sup> The distribution of generation and net supply of thermal energy among OGK-2 power plants is presented in Appendix 1.

SPECIFIC FUEL CONSUMPTION

At OGK-2 JSC as a whole, the specific consumption of standard fuel for electricity supply in 2020 increased by 1.5 g/kW\*h, and the specific consumption of standard fuel for supply of thermal energy decreased by 0.5 kg/Gcal.

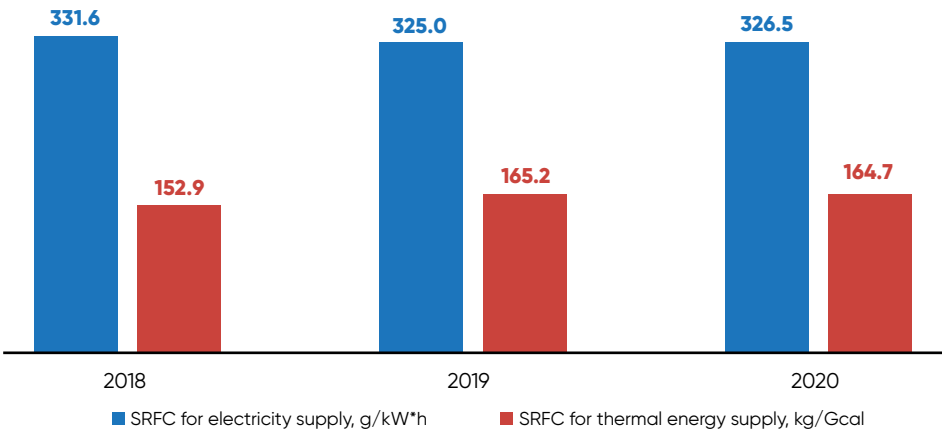
Factors that influenced the increase in the SRFC for electricity supply:

- reduction in the share of CCGT output at Kirishskaya GRES with a below-average level of SRFC;
- increase in the share of power output at Groznenskaya TPP, units 1–7 of Novocherkasskaya GRES, the 1st and 3rd stages of Troitskaya GRES, the 1st stage of Cherepovetskaya GRES, the 1st stage and unit 2 of Ryazanskaya GRES with an above-average level of SRFC;
- reduction in economical efficiency of Adlerskaya TPP, Kirishskaya GRES, Groznenskaya TPP,

Stavropolskaya GRES, Serovskaya GRES, Novocherkasskaya GRES, Cherepovetskaya GRES, Troitskaya GRES, Krasnoyarskaya GRES-2.

The decrease in SRFC for heat output is due to an increase in the share of heat supply at Surgutskaya GRES-1, Kirishskaya GRES and Adlerskaya TPP with a below-average level of SRFC.

DYNAMICS OF THE SRFC FOR ELECTRICITY AND HEAT SUPPLY IN 2018–2020



FUEL BALANCE

The technological process of heat and electricity production determines the use by OGK-2 of various types of fuel as the main raw material. Coal is represented as the main fuel along with gas in the structure of the fuel balance of OGK-2. Fuel oil and diesel fuel are also used as backup, starting and emergency fuels.

Gas prevails in the structure of the OGK-2 fuel balance. In particular, Surgutskaya GRES-1, the 2nd and 3rd stages of Ryazanskaya GRES, Stavropolskaya GRES, Kirishskaya GRES, Pskovskaya GRES, Adlerskaya TPP and Groznenskaya TPP, as well as CCGT-450 of Cherepovetskaya GRES and Serovskaya GRES. Coal is the main fuel for the 1st stage of Ryazanskaya GRES, Troitskaya GRES, Krasnoyarskaya GRES-2. Novocherkasskaya GRES and the 1st stage of Cherepovetskaya GRES have the opportunity to use both gas and coal as the main fuel for the production of heat and electricity, which enables them to regulate their fuel balance in the event of price fluctuations for these types of fuel.

At the same time, fuel oil serves as reserve fuel at three OGK-2 power plants (Ryazanskaya GRES,

Stavropolskaya GRES, Kirishskaya GRES), and five power plants (the 1st and 2nd stages of Ryazanskaya GRES, Novocherkasskaya GRES, Troitskaya GRES, Krasnoyarskaya GRES-2 and Cherepovetskaya GRES) use fuel oil as kindling fuel. CCGP-450 of Cherepovetskaya GRES, CCGT-450 of Serovskaya GRES, Adlerskaya TPP and Groznenskaya TPP can use diesel fuel in emergency situations.

The fuel supply strategy pursued by OGK-2 is aimed at optimizing the fuel balance in order to minimize fuel costs. It provides for the maximum possible replacement of expensive fuel with a cheaper one, the purchase of fuel through competitive procedures, the conclusion of long-term contracts for the supply of fuel.

In 2020, the following structure of the OGK-2 JSC fuel balance was formed: coal – 22.64%; gas – 77.23%; fuel oil – 0.13%. Compared to 2019, the share of coal decreased by 2.9%, and the share of gas increased by 2.9%.

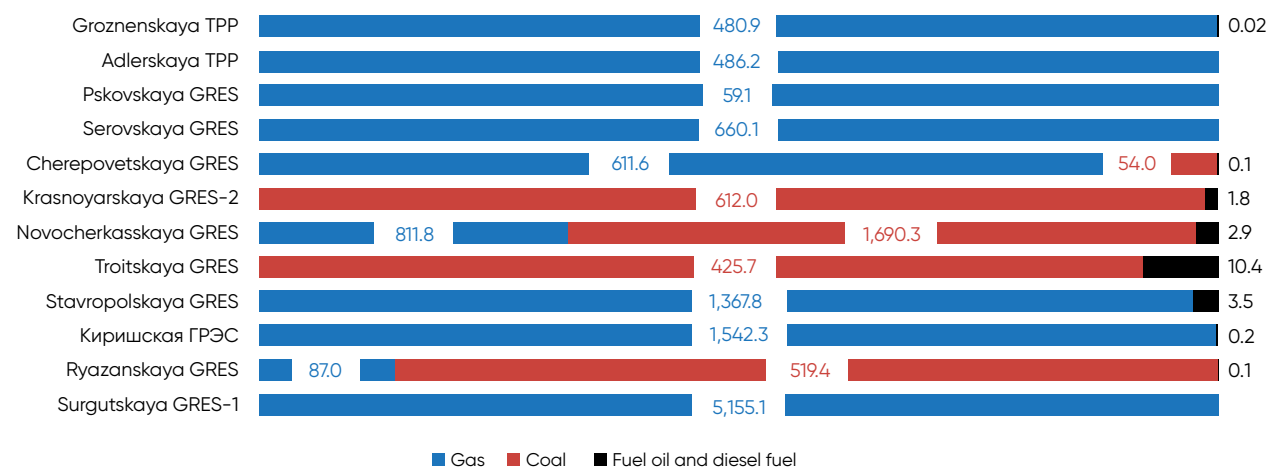
For OGK-2 JSC as a whole, coal consumption was 5.2 million tons in 2020, which is 2.3 million tons or 30.8% less than in 2019.

In 2020, gas consumption decreased by 1.7 billion cub. m (by 15.2%) to 9.7 billion m<sup>3</sup>.

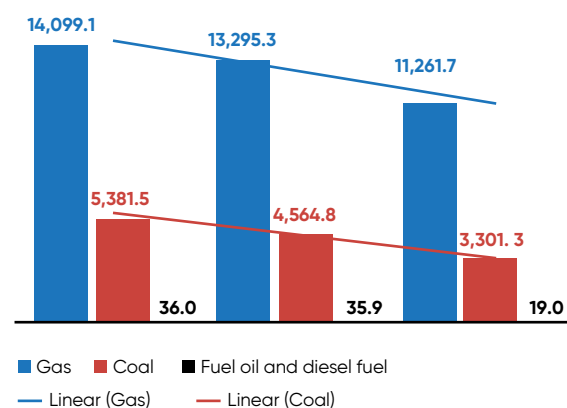
The increase in the share of gas in the fuel balance and, as a consequence, the decrease in the share of coal is associated with:

- The increase in the share of gas-fired generation at Surgutskaya GRES-1, Groznenskaya TPP, Serovskaya GRES and Adlerskaya TPP;
- The increase in the share of heat energy supplied by gas to Kirishskaya GRES and Adlerskaya TPP;
- Transfer of Krasnoyarskaya GRES-2 to the new owner on October 01, 2021.

# STRUCTURE AND ACTUAL FUEL CONSUMPTION AT POWER PLANTS OF OGC-2 IN 2020, THOUSAND TONS OF STANDARD FUEL

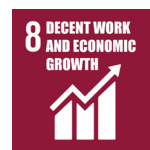


## DYNAMICS OF ACTUAL FUEL CONSUMPTION IN 2020, THOUSAND TONS OF STANDARD FUEL



## FINANCIAL RESULTS

**31,569 million rubles is EBITDA indicator according to IFRS following the results of the year**  
**13,265 million rubles is net profit according to IFRS for 2020**



## FINANCIAL RESULTS ACCORDING TO IFRS

Despite a decrease in revenue in 2020, it was possible to achieve a significant increase in profit indicators compared to the previous year due to cost control and optimization of OGC-2 capacity utilization.

Following the results of 2020, EBITDA amounted to 31,569 million rubles. Net profit for the year reached 13,265 million rubles, an increase of 10.31% compared to 2019.

## KEY FINANCIAL INDICATORS ACCORDING TO IFRS IN MILLION RUBLES AND FACTORS

Indicator title	As of December 31, 2018	As of December 31, 2019	As of December 31, 2020	Change 2020/2019, %
Revenue	143,227	134,579	120,687	-10.32%
Operational costs, incl.	127,388	116,285	101,501	-12.71%
Depreciation and wear	12,970	13,365	13,185	-1.35%
Loss due to impairment of financial assets	1,756	456	802	75.88%
EBITDA (Profit from operating activities + Wear)	27,053	31,203	31,569	1.17%
EBITDA profitability (EBITDA / Revenue, %)	18.9%	23.2%	26.2%	+3.0 pp
Operating cash flow (cash flow from operating activities)	27,480	27,885	18,869	-32.33%
Cash flow from operating activities before changes in working capital and income tax paid and before interest	32,886	36,303	31,783	-12.45%
Free cash flow (according to the statement of cash flows: Cash flow from operating activities – Acquisition of fixed assets and intangible assets)	18,434	18,793	11,959	-36.37%
Net working capital	7,756	4,229	23,035	444.69%
Net profit (loss)	8,305	12,025	13,265	10.31%
Net profit margin (Net profit / Revenue, %)	5.8%	8.9%	11.0%	+2.1 pp
Capital	127,316	137,341	144,645	5.32%
Net debt	40,493	52,539	44,935	-14.47%
Net debt / Capital (The factor shows the ratio of borrowed funds to capital. The lower this indicator, the higher the financial stability of the company)	31.8%	38.3%	31.1%	-7.2 pp
EBITDA / Finance expenses (Finance expenses coverage ratio. The higher this indicator, the lower the company's debt burden)	6.5	8.0	10.7	33.75%
Net debt / EBITDA (The coefficient shows how many annual profits the company will need to cover its net debt)	1.5	1.7	1.4	-17.65%
ROE (Net profit / Equity, %. The ration shows the efficiency of using the company's equity)	6.5%	8.8%	9.2%	+0.4 pp

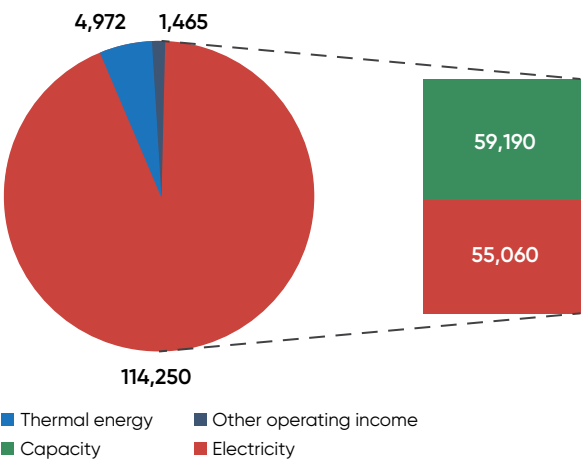
REVENUE

REVENUE, MILLION RUBLES

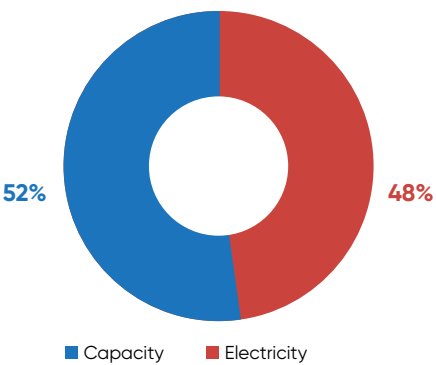
Indicator title	2018	2019	2020	Change 2020/2019, %
Electricity and capacity	134,545	127,755	114,250	-10.57%
Thermal energy	5,233	5,323	4,972	-6.59%
Other operating income	3,449	1,501	1,465	-2.40%
Total	143,227	134,579	120,687	-10.32%

In 2020, the bulk of revenue (94.7%) was sales of electricity and power.

REVENUE STRUCTURE FOR 2020, MILLION RUBLES



ELECTRICITY AND POWER SALES REVENUE STRUCTURE FOR 2020



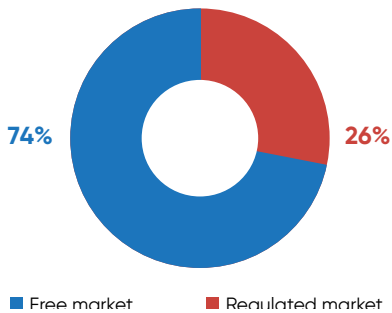
114,250 million rubles is the company's revenue from electricity and power sales

In 2020, the company's revenue from the sale of electricity and capacity in the wholesale market amounted to 114,250 million rubles, including: from

the sale of electricity – 55,060 million rubles and from the sale of capacity – 59,190 million rubles

The bulk of electricity sales is performed in the free market.

STRUCTURE OF ELECTRICITY SALE VOLUMES ON THE WHOLESALE ELECTRICITY MARKET FOR 2020



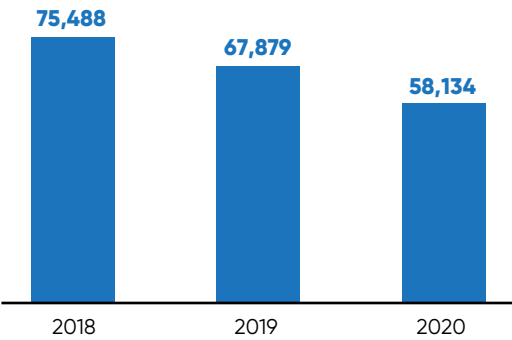
Sales of electricity (capacity) by OGK-2 JSC on the retail markets were terminated in 2019. Herewith, in 2019, electricity was sold on retail markets only to guaranteeing suppliers and

was determined by the transition period associated with the need for guaranteeing suppliers to obtain the right to trade electricity on the wholesale market for electricity and

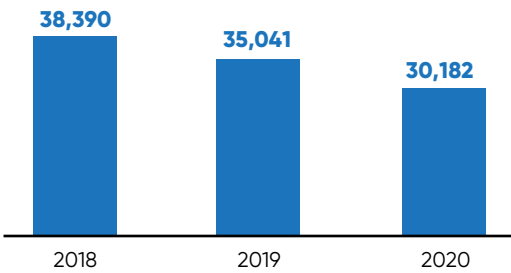
power at points of supply registered in relation to the respective retail electricity consumers (electricity sales directly to end consumers were terminated in 2018).

OPERATIONAL COSTS

VARIABLE COSTS, MILLION RUBLES <sup>13</sup>



FIXED COSTS, MILLION RUBLES <sup>14</sup>

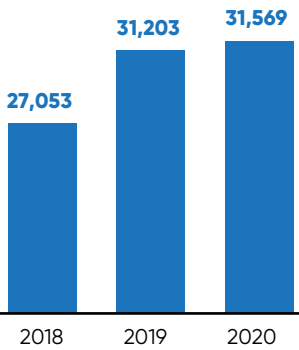


EBITDA AND PROFIT GENERATION

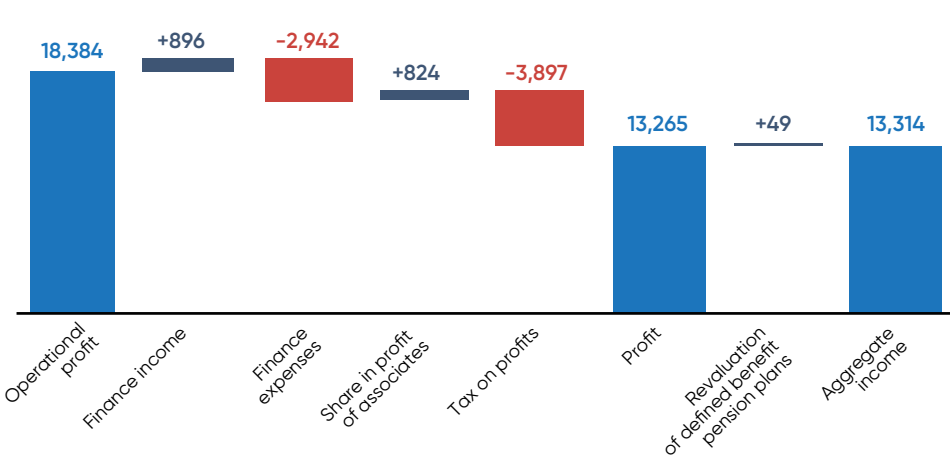
EBITDA was 31,569 million rubles, having increased by 0.37 million rubles

(by 1.17%) compared with the same period in 2019.

EBITDA, MILLION RUBLES



PROFIT GENERATION IN 2020, MILLION RUBLES



<sup>13</sup> The breakdown into variable costs and fixed costs is presented according to management reporting.

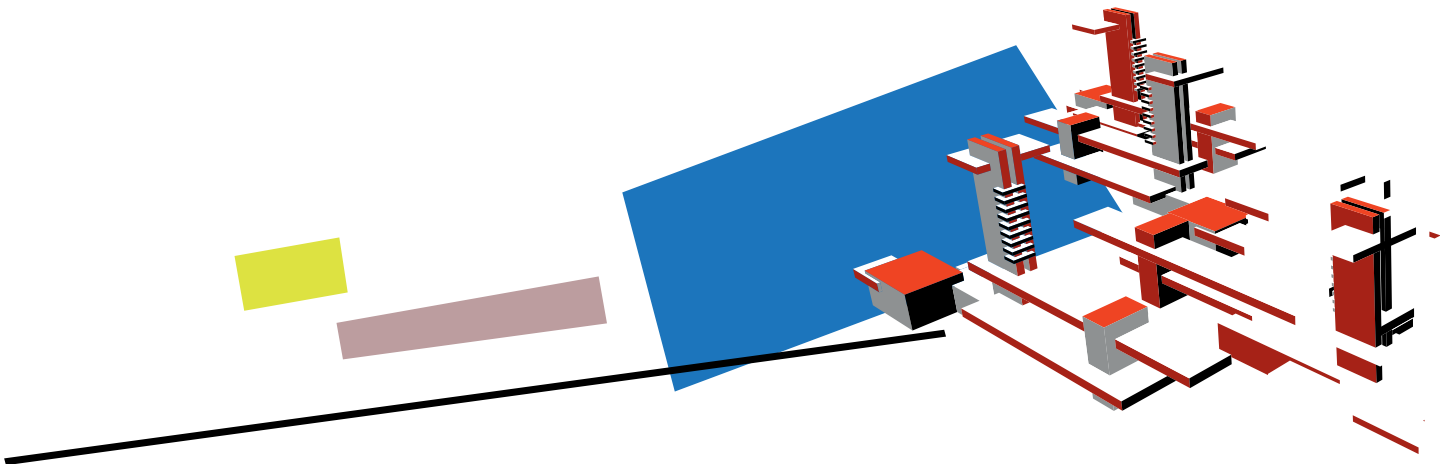
<sup>14</sup> The breakdown into variable costs and fixed costs is presented according to management reporting. Wear is not included in this indicator.



FINANCIAL INDICATORS ACCORDING TO IFRS

The indicators used to assess the financial condition of OGC-2 are the following financial indicators, calculated on the basis of accounting data according to IFRS:

Indicator title	Formula for calculating the indicator	Recommended values	2018	2019	2020
Liquidity indices					
Absolute liquidity ratio	(Cash + Short-term financial investments) / Short-term liabilities	>0.15	0.35	0.26	0.83
Quick liquidity ratio	(Cash + Short-term financial investments + Receivables for less than 12 months) / Short-term liabilities	>0.95	0.84	0.60	1.48
Current liquidity ratio	Current assets / Current liabilities	>1	1.29	1.11	2.25
Financial stability indicators					
Coefficient of financial independence	Equity / Total assets	>0.8	0.60	0.61	0.64
Profitability indicators					
Profitability of sales (ROS), %	(Profit from sales / Revenue from sales) * 100	>15%	9.8%	13.3%	15.2%
Return on equity (ROE), %	(Net profit / Equity capital) * 100	>5%	6.5%	8.8%	9.2%
Return on assets (ROA), %	(Net income / Total assets) * 100	>3%	3.9%	5.5%	5.9%
Business performance indicators					
Dynamics of receivables	(Receivables at the end of the reporting period-receivables at the end of the base period) / receivables at the end of the base period		-1.3%	-5.5%	-4.9%
Dynamics of accounts payable	(Accounts payable at the end of the reporting period-accounts payable at the end of the base period) / accounts payable at the end of the base period		-8.0%	-14.3%	-0.05%
Ration of receivables and accounts payable	Receivables at the end of the reporting period / accounts payable at the end of the reporting period	>1	0.73	0.70	0.64



IFRS DEBT

THE STRUCTURE OF SHORT-TERM LIABILITIES, MILLION RUBLES

Indicator title	Effective interest rate as of December 31, 2020	2018	2019	2020	Change 2020/2019, %
Short-term portion of long-term borrowed funds	6.5%	8,507	9,303	840	-90.97%
Short-term credits	-	-	8,306	-	-100.00%
Short term bond loans	4.25-7.12%	89	1,776	5,225	194.21%
Short-term portion of finance lease liabilities	-	15	-	-	-
Total		8,611	19,385	6,065	-68.71%

THE STRUCTURE OF LONG-TERM LIABILITIES, MILLION RUBLES

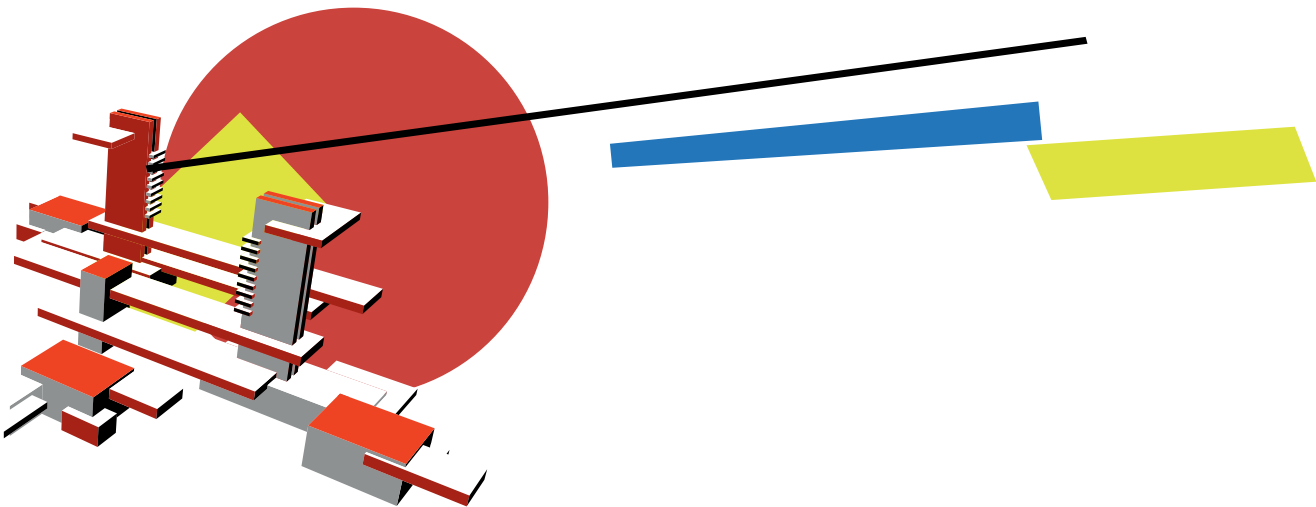
Indicator title	Effective interest rate as of December 31, 2020	Maturity date as of December 31, 2020	2018	2019	2020	Change 2020/2019, %
Long-term credits	-	-	9,110	19,450	-	-100.00%
Long-term loans	6.50%	2023-2025	22,659	8,796	6,834	-22.31%
Bond loans	4.25-5.75%	2023	6,683	5,000	32,043	540.86%
Finance lease liability	-	-	8	-	-	-
Total			38,460	33,246	38,877	16.94%

As of December 31, 2020, the total amount of borrowed funds amounted to 44,942 million rubles, which is 14.6% lower than the same indicator in 2019.

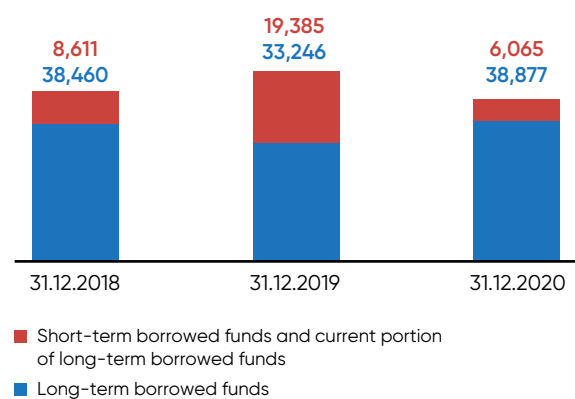
Long-term debt as of December 31, 2020 amounted to 38,877 million rubles.

Short-term debt as of December 31, 2020 amounted to 6,065 million rubles.

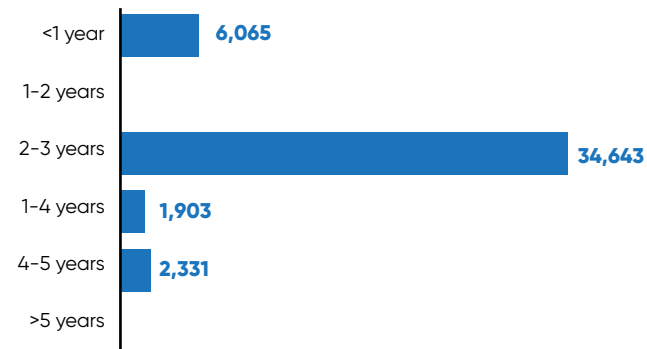
The change in the structure of borrowed funds is mainly due to scheduled debt repayments and the issuance of new bond-secured loans.



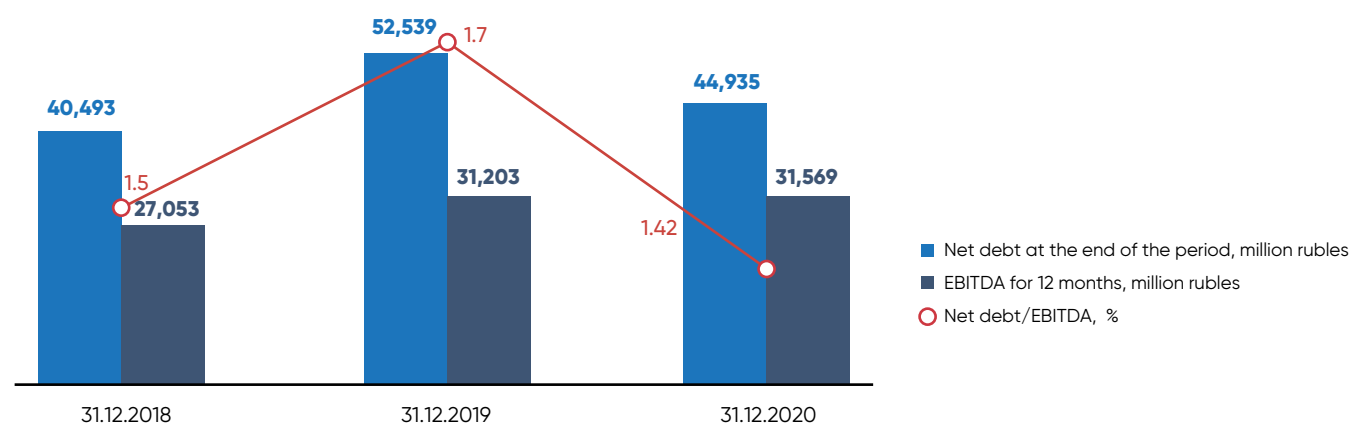
#### STRUCTURE OF BORROWED FUNDS, MILLION RUBLES



#### DIVERSIFICATION OF BORROWED FUNDS BY MATURITY AS OF DECEMBER 31, 2020, MILLION RUBLES



#### NET DEBT/EBITDA



Effective interest rates in the reporting period ranged from 4.25% to 8.83%. The company's net debt as of

December 31, 2020 amounted to 44,935 million rubles.

#### DIRECT ECONOMIC VALUE CREATED, ECONOMIC VALUE ALLOCATED AND RETAINED

	2018	2019	2020
<b>Direct economic value created</b>	<b>143,738</b>	<b>135,663</b>	<b>130,895</b>
Revenue	143,227	134,579	120,687
Income from financial investment	465	1,074	514
Income from sale of assets	46	10	9,694
<b>Allocated economic value</b>	<b>147,485</b>	<b>139,709</b>	<b>125,802</b>
Operational costs	127,388	116,285	101,501
Salaries and other employee benefits	8,824	9,375	9,485
Payments to capital providers	5,664	7,576	8,465
Payments to the state	5,604	6,467	6,344
Investment in local communities / charity	7	7	7
<b>Unallocated economic value</b>	<b>-3,747</b>	<b>-4,046</b>	<b>5,093</b>

#### FINANCIAL ASSISTANCE FROM STATE AUTHORITIES

In 2020, OGG-2 received no financial assistance from state authorities.

# 2. SUSTAINABLE DEVELOPMENT REPORT

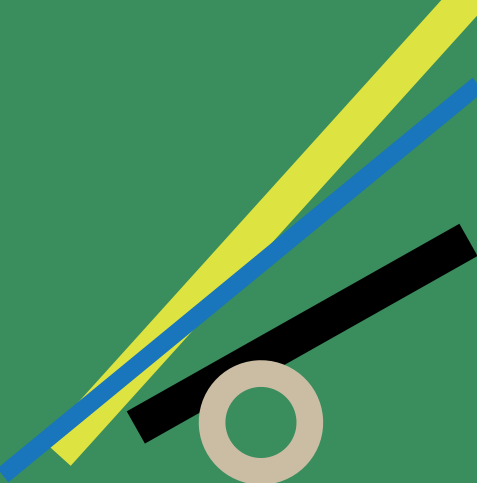
2.1	Basic principles of sustainable development and social responsibility .....	70
2.2	Environmental protection .....	78
2.3	Human capital .....	86
2.4	Occupational health and safety .....	92
2.5	Social partnership .....	95



Water, chemical workshop, boiler, heating.  
Steam goes to turbine, rotation, generator.  
Electric workshop, connection –  
Megawatts go to the system.

Not everybody knows this process,  
Only energy specialists do,  
Those who care about warmth and light!  
Who can proudly say – energy is my job.

**Leonid Shamanov,**  
**Head of Repair section**  
**of Technical services servicy**  
**at Adlerskaya TPP**



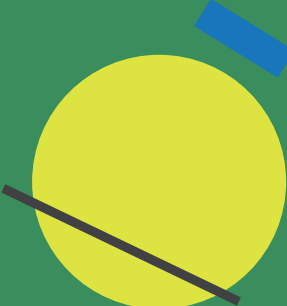
# 3rd place (1.4 points)

ACCORDING TO WWF ENVIRONMENTAL TRANSPARENCY  
RATING OF OIL AND GAS COMPANIES

# 12%

REDUCTION OF FEES FOR NEGATIVE IMPACT  
ON THE ENVIRONMENT

IN 2020, THERE WERE NO ACCIDENTS IN OGK-2.



## 2.1 Basic principles of sustainable development and social responsibility

We combine the traditions accumulated by generations of our predecessors and the strive to change in line with the imperative of our time. We operate equipment commissioned decades ago and introduce state-of-the-art technology to gain in strength. We are working to be more efficient and take our rightful place in the market. Only this will allow us to update generating

capacities and provide the best conditions for our team. Nonetheless, the main goal remains unchanged for power engineers of all time: reliable and uninterrupted power supply to consumers.

Such work can only be built on the principles of a responsible attitude of business towards people, the environment and society. Our core

corporate values aimed to ensure the sustainable development of the company stem from the responsible attitude. Following the principles of openness and transparency we conduct an open and honest exchange of information with all the stakeholders.

### OGK-2 ACTIVITIES AND THE UN SUSTAINABLE DEVELOPMENT GOALS

The approaches to managing sustainable development processes in OGK-2 are consistent with the principles set forth in the United Nations (UN) Declaration on Environment and Development.

The Company pays great attention to meeting the requirements of environmental legislation, increasing the level of industrial and

environmental safety, ensuring a planned and effective reduction of the negative impact of industrial activities on the environment.

On September 25, 2015, at the UN headquarters in New York, global leaders, including heads of state and government, approved the Post-2015 Sustainable Development Agenda, entitled "Transforming Our

World: 2030 Agenda for Sustainable Development". This agenda has 17 goals and 169 tasks.

OGK-2 operates based on the UN Sustainable Development Goals.

### SUSTAINABLE DEVELOPMENT MANAGEMENT

**In its activities, OGK-2 is guided by the principles of social responsibility adopted by the Gazprom Group:**

- **due consideration of the public interest;**
- **assistance to the social and economic development of Russian regions and establishing a favorable business environment in them;**
- **maintaining decent working conditions and social well-being of both its employees and people living throughout the territory of the Group's operations.**

OGK-2 corporate values are enshrined in the Code of Corporate Conduct, approved by the Board of Directors on 02.10.2014. Along with documents defining the strategic goals of the Company, as well as the Corporate Governance Code, the Code of Corporate Conduct is a

core of sustainable development of OGK-2 and is an integral part of the corporate culture of the Company. The document defines corporate values, discloses issues of conflict of interest, co-work of relatives, gifts, relations with competitors and counterparties, anti-corruption and

other rules of business conduct. The Code is written in Russian. The provisions of the Code apply to organizations controlled by the Company.

### CORPORATE VALUES



#### Professionalism

Deep knowledge of one's area of specialization, timely and high-quality fulfillment of assigned tasks, continuous improvement of professional knowledge and skills



#### Openness to dialogue

Open and honest exchange of information, willingness to jointly develop an optimal solution



#### Leadership role

Diligence and non-reliance of employees in such matters as production process optimization



#### Succession

Respect for the work and experience of older generations, communication between beginners and labor veterans, vocational training and coaching



#### Lean approach

Responsible and lean approach to the use of assets of the Group companies, to own work time and the work time of other employees



#### Image

Use of techniques and strategies aimed at creating a positive opinion about the Group companies



#### Mutual respect

Team spirit, trust, benevolence and cooperation in the process of solving the assigned tasks

The Company provides for familiarization of all employees of OGK-2 with the Code of Corporate Conduct. The Business Integrity Committee is responsible for organization of work to comply with the requirements and provisions of the Code of Corporate Conduct of the Company. The Business Integrity Committee monitors compliance with the requirements and provisions of the Code. Senior executives, who are the supervisors

of the "HR Management", "Corporate Governance", "Legal Support", "Corporate Security" functional units, are members of the Committee.

The personnel of the organizations studies the Code of Corporate Conduct against written acknowledgement at the beginning of employment or when changes are made to the document. Familiarization with the principles,

standards and rules for behavior is a part of in-person and remote online onboarding programs for newcomers.

### ANALYSIS OF THE POSSIBLE IMPACT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ACTIVITIES OF OGK-2

Nowadays, the financial statements of companies cannot be a source of comprehensive information for investors. Therefore, companies need to increase the amount of disclosed non-financial information in order

to increase the transparency of their activities and increase investment attractiveness. Non-financial disclosure requirements applicable to reporting are based on the disclosure standards. One of the important factors attracting

the attention of investors is the disclosure of impact of climate-related risks on the activities of the Company.



ANALYSIS OF THE POSSIBLE IMPACT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ACTIVITIES OF OGK-2

Type	Climate-related risks	Potential financial impact
Transitional risks	Technological	
	<ul style="list-style-type: none"><li>Replacing products and services with the ones that are more environment-oriented</li><li>Costs of transition to more environmentally friendly technologies</li></ul>	<ul style="list-style-type: none"><li>Write-off and premature disposal of assets</li><li>R&amp;D expenses in the field of new and alternative technologies</li><li>Capital investment in technology development</li></ul>
	Market	
Resource efficiency	<ul style="list-style-type: none"><li>Consumer behavior change</li><li>Increase in the cost of raw materials</li></ul>	<ul style="list-style-type: none"><li>Decrease in demand for goods and services due to changes in consumer preferences</li><li>Increase in the cost of production due to changes in the cost of raw materials and production requirements</li></ul>
Type	Climate-related risks	Potential financial impact
Energy sources	<ul style="list-style-type: none"><li>Use of more efficient transportation methods</li><li>Use of a more efficient manufacturing process</li><li>Construction which is more environmentally compatible</li></ul>	<ul style="list-style-type: none"><li>Reduced operating costs (due to increased efficiency and prime cost reduction)</li><li>Increase in production capacities and, as a result, increase in revenue</li><li>Increase in the value of fixed assets</li></ul>
Energy sources	<ul style="list-style-type: none"><li>Use of more environmentally friendly energy sources</li><li>Use of new technologies</li></ul>	<ul style="list-style-type: none"><li>Reduced operating costs</li><li>Availability of capital (due to the investor interest in industries which are more environmentally compatible)</li><li>Positive impact on reputation</li></ul>

STAKEHOLDER ENGAGEMENT

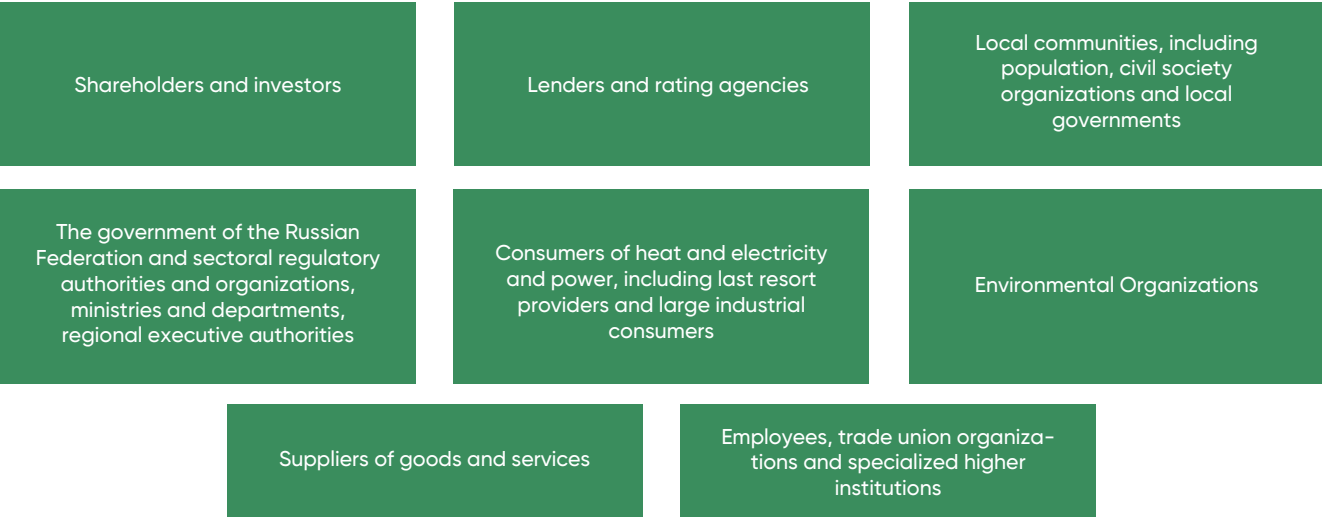
STAKEHOLDER MAP

Sustainable development of Gazprom Energoholding Group companies directly depends on the quality of relations with stakeholders. The Group companies strive to maintain an open

dialogue with all the stakeholders, as we believe that our companies equally influence and are being influenced by them. Responsibility, openness and due consideration

of interests of all stakeholders when making decisions are a prerequisite for effective cooperation.

STAKEHOLDERS MOST CLOSELY RELATED TO OGK-2 ACTIVITIES



The main principles for uniting stakeholders in groups:

- solidarity in interests and expectations for the companies of the Group;
- the nature of their influence on the achievement of the strategic goals of the Group's companies;
- tools used by the Group companies to interact with them.

MAIN FORMS AND FREQUENCY OF STAKEHOLDER ENGAGEMENT ACTIVITIES

Stakeholders	Topics of interest	Forms of interaction
External stakeholders		
Shareholders and investors	<ul style="list-style-type: none"><li>financial and production indicators,</li><li>investment program,</li><li>dividend politics,</li><li>shareholder value increase,</li><li>increase of production efficiency and reduction of costs,</li><li>priority areas for the development of the Company.</li></ul>	<ul style="list-style-type: none"><li>General meetings of shareholders, during which all the most important issues of the company's activities are brought up for discussion.</li><li>Boards of Directors and Committees under the Board of Directors are used as platforms for continuous interaction between representatives of major shareholders – consultations, search for compromises and reaching agreements on the most pressing issues.</li><li>In preparation for the meetings of the governing bodies and their committees, discussion and submission of proposals by the major shareholders on the meeting agenda and the nominees to corporate bodies take place. Meetings are held regularly in accordance with established corporate procedures.</li><li>IR events, including meetings of OGK-2's management with representatives of shareholders, investors and analysts.</li><li>Regular conference calls to discuss financial performance.</li><li>Ad hoc conference calls and meetings with shareholders, analysts and investors in the face to face format and in small groups as part of events held by investment funds and banks.</li><li>Timely publication of information on the official Website in accordance with the provisions of the Russian law, as well as the transfer of all information to depository banks in accordance with the requirements of the law of foreign countries.</li><li>Placing information on the Website and individual mailing to shareholders, analysts and investors of presentation and information materials, which not mandatory for publication in accordance with the law, but are provided for explanatory and information purposes.</li><li>Telephone calls, meetings of management and provision of information at the request of shareholders, analysts and investors.</li></ul>



Stakeholders	Topics of interest	Forms of interaction
Capital providers (lenders and rating agencies)	<ul style="list-style-type: none"> <li>financial and production indicators,</li> <li>investment programs,</li> <li>debt indicators and debt portfolio structure,</li> <li>credit policy,</li> <li>priority areas for the development of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Holding meetings of OGK-2's management with representatives of rating agencies and providing all information requested by them to change or confirm ratings.</li> <li>Negotiating when obtaining bank loans.</li> <li>Publication of reports on the Company's activities at the end of each year and each quarter, containing information on the financial standing, liabilities and potential risks.</li> </ul>
Local communities (local population, civil society organizations and local authorities)	<ul style="list-style-type: none"> <li>uninterrupted heat and power supply,</li> <li>compliance with environmental regulations and standards,</li> <li>energy saving and energy efficiency,</li> <li>compliance with safety standards and regulations,</li> <li>job creation and wage levels,</li> <li>taxes,</li> <li>charity,</li> <li>joint events with public organizations and local authorities,</li> <li>participation in the development of local infrastructure,</li> <li>business development.</li> </ul>	<ul style="list-style-type: none"> <li>Regular participation in expert consultations, meetings and working groups on regional development issues under the municipal government.</li> <li>Conducting regular information meetings with responsible executives of the regions where the Group's companies are operating.</li> <li>Conducting public hearings every time the construction of new industrial facilities begins.</li> <li>Publication of reports on the activities of the Group companies at the end of each year and each quarter containing information on ongoing investment and social projects, including projects aimed at developing the regions where the production facilities of the Group companies are located.</li> <li>At least once a month – holding cultural and educational events in the regions of presence aimed at raising awareness of the local population about the production of heat power and electricity; the company's activities in these regions; ways to improve the efficiency and safety of energy use; correct behavior in the event of emergencies related to the operation of production facilities.</li> <li>Participation of OGK-2 employees in events organized by local authorities and public organizations.</li> <li>Regular provision of information on emissions, measures to reduce emissions in the event of unfavorable meteorological conditions, the quality of hot water, as well as on indirect energy emissions to local authorities and upon consumer requests.</li> <li>Posting on the Website and disseminating information through the media that affects the interests of the population, other enterprises, as well as local authorities in the regions where the Company is operating – as soon as newsworthy events appear.</li> </ul>

Stakeholders	Topics of interest	Forms of interaction
Clients	<ul style="list-style-type: none"> <li>uninterrupted heat and power supply,</li> <li>production indicators,</li> <li>payments for energy resources;</li> <li>investment programs,</li> <li>connection conditions,</li> <li>increased efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>Interaction with wholesalers on the issues of concluding non-regulated bilateral contracts for the sale of electricity and power supply – on an ongoing basis.</li> <li>Interaction on issues of connection to the facilities of the Company (electricity and heat power) – upon receipt of applications.</li> <li>Interaction with heat energy consumers on the issues of concluding/making amendments to contracts, settlements under concluded contracts – on an ongoing basis.</li> </ul>
The Government of the Russian Federation and sectoral regulatory authorities, ministries and departments, regional executive authorities	<ul style="list-style-type: none"> <li>uninterrupted heat and power supply,</li> <li>production and financial indicators,</li> <li>investment programs,</li> <li>increased efficiency,</li> <li>priority areas for the development of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Participation in meetings of commissions under the Government, ministries, expert panels and committees, etc.</li> <li>Interaction with government authorities that establish, regulate and monitor compliance with the rules for functioning of the Russian heat power and electricity market (the Government of the Russian Federation, FAS Russia, the Ministry of Economic Development of Russia, etc.), as well as with the Trade System Administrator and System Operator.</li> <li>Work with NP "Market Council", Association "Council of Energy Producers", Commissions and Committees of the Russian Union of Industrialists and Entrepreneurs.</li> <li>The work is carried out on an ongoing basis and is aimed at optimizing the existing regulation and developing the heat power and electricity market.</li> </ul>
Environmental Organizations	<ul style="list-style-type: none"> <li>compliance with environmental regulations and standards,</li> <li>reduction / increase of all types of environmental impact of production,</li> <li>ongoing programs and activities related to environmental protection,</li> <li>investment programs,</li> <li>energy efficiency improvement,</li> <li>priority areas for the development of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>OGK-2 is working on the development of its own Environmental and Energy Management Systems, follows the ISO 9001:2015 and ISO 14001:2015 standards and regularly undergoes supervisory audits.</li> <li>Participation in specialized competitions.</li> <li>Every time a new construction starts at industrial facilities, OGK-2 holds public hearings with the participation of representatives of environmental organizations.</li> </ul>

Stakeholders	Topics of interest	Forms of interaction
Suppliers of goods and services	<ul style="list-style-type: none"> <li>creditworthiness,</li> <li>procurement rules and transparency,</li> <li>environmental, technical and other regulations and standards in the selection of suppliers,</li> <li>investment programs,</li> <li>priority areas for the development of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Every time a competitive tendering for procurement is announced, a complete set of information on procurement and the procedure for selecting suppliers is posted simultaneously and in the equal amount for all potential suppliers – on the Website <a href="http://zakupki.gov.ru/">http://zakupki.gov.ru/</a>, in GazNeftetorg.ru trading system (<a href="http://www.gazneftetorg.ru/">http://www.gazneftetorg.ru/</a>) and the Company's Website.</li> <li>The company follows the standards OHSAS 18001:2007, ISO 14001:2015, and focuses on them when conducting procurement.</li> <li>When making purchases in especially important areas of activity, the procurement committee of the company conducting the purchases participates in making a decision on the selection of suppliers of goods and services.</li> <li>All information about previously held transactions for the procurement of goods, including the quantity and total cost of purchased goods and services, is kept in the public domain on the Company's Website.</li> </ul>
Management and control bodies	<ul style="list-style-type: none"> <li>the quality of corporate governance, the activities of the Board of Directors,</li> <li>development strategy as part of activity of the Board of Directors,</li> <li>review of performance of the sole executive body and the Board of Directors,</li> <li>risk management and risk appetite,</li> <li>sustainable development issues.</li> </ul>	<ul style="list-style-type: none"> <li>20 meetings of the Board of Directors.</li> <li>23 meetings of Committees under the Board of Directors.</li> </ul>
Employees, trade union organizations	<ul style="list-style-type: none"> <li>compliance with environmental regulations and standards,</li> <li>compliance with safety standards and regulations,</li> <li>job creation and wage levels,</li> <li>social and medical care,</li> <li>opportunity for professional growth and development,</li> <li>corporate culture,</li> <li>business development.</li> </ul>	<p>The Company has implemented:</p> <ul style="list-style-type: none"> <li>personnel incentive system;</li> <li>system of professional training and professional development of personnel;</li> <li>health and safety activities: compulsory medical examinations, assessment of workplaces, briefings on safety at the workplace;</li> <li>the practice of holding sports and cultural events;</li> <li>social insurance of personnel in excess of that established by the applicable law of the Russian Federation, the approaches to which are enshrined in the Collective Agreement: voluntary medical insurance (VMI), accident insurance, non-state pension schemes, additional social benefits and guarantees for employees.</li> </ul> <p>Ongoing interaction with trade union organizations, which is implemented, among other things, through holding of meetings of the Committee for Settlement of Social and Labor Issues in OGK-2 JSC consisting of representatives of the parties to social partnership.</p>

## SUSTAINABLE DEVELOPMENT RATINGS

The Company is working on the implementation of generally recognized standards in the activities of OGK-2 in order to improve the disclosure of indicators in the field of sustainable development. In 2020, the Company was ranked in the top three of the World Wildlife Fund's (WWF) rating of environmental openness, having gained a score of a total of 1.4 points. The industry rating was

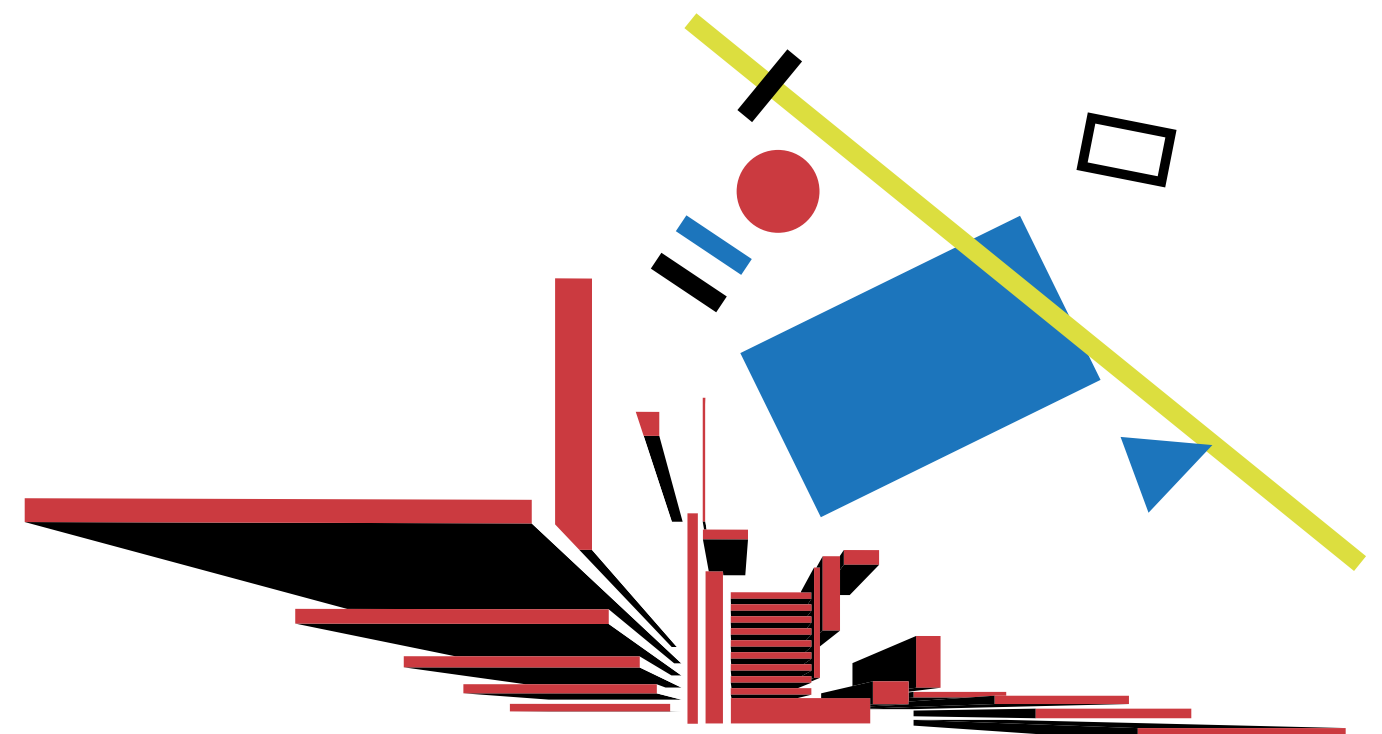
calculated on the basis of three sections: environmental management, environmental impact and information disclosure.

In addition, in the reporting year, OGK-2 confirmed its Climate Change 2020 "F" CDP rating.



*OGK-2's environmental policy is based on the principles of safety, efficiency and transparency. Inclusion in such a rating is a quality mark that reflects the Company's social and corporate responsibility and demonstrates conscious use of natural resources and environmental friendliness. The environmental management system at OGK-2 JSC is organized at a high level, and, undoubtedly, we will continue to work to improve performance in the field of environmental protection."*

**Yulia Chizhova, Head of Environmental Team of OGK-2 JSC**



## 2.2 Environmental Protection



*Conservation of water resources is an important contribution of the power engineers of OGK-2 JSC to the protection of the environment and the improvement in the regions of the Company's activities".*

**Artyom Semikolenov, Managing Director of OGK-2 JSC**

### ENVIRONMENTAL POLICY

OGK-2 operations are directly related to the use of natural resources and the impact on the environment. In this regard, the Company takes measures to minimize the harmful impact on the environment and allocates significant

funds to the implementation of relevant measures.

The management of OGK-2 is aware of its responsibility for the state of the environment, environmental risks and

the health of the population living in the zone of influence of thermal power plants. OGK-2's sustainable development strategy is based on environmental safety and the parity of economic, social and environmental values.

### ENVIRONMENTAL ACTIVITIES

On November 15–16, 2020, the All-Russian Ecological Dictation was held, aimed at increasing the environmental literacy of citizens of the Russian Federation. 27 people took part from the environmental divisions of OGK-2 JSC.

On August 31, 2020, the Environmental Policy of OGK-2 JSC was updated.

In the reporting year, the branches carried out a large amount of environmental protection measures aimed at protecting atmospheric

air, wastewater treatment, waste management, protecting and rehabilitating land, surface and groundwater, and protecting the environment from noise, vibration and other types of physical impact.

#### ENVIRONMENTAL ACTIVITIES HELD AT POWER PLANTS IN 2020

Branch of OGK-2	Events
Krasnoyarskaya GRES-2	<p>In 2020, the branch carried out a major overhaul of the internal cyclonic elements of the multicyclone collectors of boilers 7A, 7B, 9A, 9B, fuel supply suction units, repair of oily wastewater treatment facilities.</p> <p>Work was carried out to increase the capacity of the ash disposal area, reduce filtration due to the area of the reclaim sections.</p> <p>In addition, the branch carried out activities aimed at reducing the use of water for industrial needs:</p> <ul style="list-style-type: none"> <li>reuse of wastewater from the outlet channel, including for heating the supply channel in winter;</li> <li>reuse of waste water from the outlet channel for the preparation of feedwater makeup for boilers of units Nos. 1–8;</li> <li>re-use of wastewater for replenishment of hydraulic ash-transport system.</li> </ul> <p>In 2020, work was carried out to stock the Krasnoyarsk reservoir of the Yenisei River basin with Siberian sturgeon juveniles in the amount of 10,896 pieces as part of a restoration measure to compensate for damage caused to aquatic biological resources.</p>

Branch of OGK-2	Events
Novocherkasskaya GRES	<p>For the sake of rational use of water resources, in order to avoid water losses, metrological certification and maintenance of the SIRENA cooling water measuring system were carried out.</p> <p>The branch also takes measures aimed at reducing the use of water for industrial needs, namely the reuse of wastewater from the outlet canal.</p> <p>Traditionally, during the year, volunteer community clean-up days (Subbotnik) were held both in the territory of the enterprise and at the adjacent territory. Also, with the involvement of various public organizations, three Subbotniks were held in the territory of the power engineers' residential community. At the end of the year, clean-up measures were taken along the banks of the plant's inlet and outlet canals. As a result, about 64,000 sq. m of the coastal strip were cleaned, and about 10 tons of garbage were removed.</p>
Pskovskaya GRES	<p>The branch, being a category II negative impact facility, developed and sent a declaration on the impact of the facility on the environment, carried out work on adjustment of the sanitary protection zone design. It is planned to install it by 31.12.2021.</p> <p>In 2020, on the eve of the World Cleanup Day, the power engineers of the branch, together with the students of Dedovichi School No. 2, cleaned the bank of the reservoir on the Shelon River from debris. After the conducted Cleanup Day in September 2020, lessons on the protection of the environment were held for junior schoolchildren of Dedovichi School No. 2.</p>
Ryazanskaya GRES	<p>In 2020, work was carried out to adjust the design of the sanitary protection zone. It is planned to install it by 31.12.2021.</p> <p>In addition, repair work was carried out at the treatment facilities to partially replace the pipelines of the primary and secondary sedimentation tanks, blowers, sludge pipelines, as well as the repair of sand trap metal structures.</p> <p>Maintenance of the territory of Ryazanskaya GRES, branch of OGK-2 JSC, water intake facilities of the branch in proper sanitary and technical condition</p> <p>Maintenance of the water protection zone of the Pronya River and the coastal protection zone of the Novomichurinskoye reservoir in accordance with the requirements of water legislation</p> <p>In 2020, measures were taken to improve the territory near the memorial plaque in honor of the dead soldiers in the village of Prudki, Pronskey district. Subbotniks were held in April and October 2020. Dozens of power engineers cleaned the territory of the plant, whitewashed trees, removed dry branches, made pruning, and collected fallen leaves.</p> <p>The branch also continues to work on reusing the ash and slag waste.</p>
Serovskaya GRES	<p>In 2020, the branch carried out work on maintenance of the treatment facilities for storm water and oily wastewater from power unit No. 9, the treatment facilities for household wastewater KOS-600, in order to maintain the design parameters of treatment.</p> <p>Within the framework of the All-Russian Festival of Energy Saving named #BrighterTogether, trade union activists and members of the youth council held a festive event for children of the boarding school in Serov in the flash mob format. Power engineers reminded the children about the rules of energy safety, rational use of electricity, water and the need to respect nature.</p> <p>The personnel of the enterprise took part in environmental clean-up days aimed at maintaining clean condition and improvements in the power engineers' residential community.</p>
Stavropolskaya GRES	<p>The branch is taking measures aimed at reducing the use of water for industrial needs, namely, maintaining the operability of turning the blades of the electrical load centers of units Nos. 1–8 to minimize the load of the electrical load centers depending on the water temperature and the unit power, recirculation of c.w. pressure tunnels is used to enable a larger reduction the flow rate of circulating water to power units, the metering units of water consumption are checked in a timely manner, the flow rate of circulating water is regulated by gates on the drainage conduits, depending on the process flow diagrams.</p>

Branch of OGK-2	Events
Troitskaya GRES	<p>At the end of 2020, the branch took measures aimed at protecting the atmospheric air in terms of reducing the fugitive ash emissions, namely: sowing perennial grasses on the ash platforms of the third section of the ash dump, planting trees and shrubs around the second section of the ash dump.</p> <p>520 kg of waste paper in the amount of 3,120 rubles were collected and transferred for processing.</p> <p>The branch also continues to work on reusing the ash and slag waste.</p>
Cherepovetskaya GRES	<p>Saving water resources in 2020 amounted to 69.0 million m<sup>3</sup> due to the reuse of wastewater in the production cycle. The share of wastewater reuse has reached 74%. 82% increase in wastewater reuse vs. 2019 data.</p> <p>Work is underway aimed at reuse of ash and slag waste as an insulating material for the needs of municipal solid waste landfills.</p> <p>A diving survey of hydraulic structures was carried out, including cleaning in the area of water intake No. 1, water intake No. 2, hydroelectric installation, fish protection structures.</p> <p>In 2020, information about the sanitary protection zone of the branch was entered into the unified state register of real estate.</p>
Groznenskaya TPP	<p>In 2020, work was carried out to adjust the design of the sanitary protection zone. It is planned to install it by 31.12.2021.</p> <p>On March 13, 2020, a large-scale cleanup activity was held at the branch of OGK-2 JSC – Groznenskaya TPP. The event was attended not only by the station's employees, but also by contractors. During the event, waste was collected and roads were cleared at the power plant and in the surrounding area, including the parking lot. Also, during the cleanup activity, the planting of seedlings of fruit trees was started. During the year, 75 seedlings of apple, pear, cherry, walnut, quince, sweet cherry, plum and hazelnut varieties were planted in the territory of the plant.</p>

### ENVIRONMENTAL EDUCATION

84 employees of the company attended advanced training under the programs "Ensuring environmental safety by managers and specialists	of general economic management systems", "Ensuring environmental safety when working in the field of hazardous waste management",	"Professional training to obtain right to work with 1–4 hazardous class waste."
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### ENVIRONMENTAL EXPENDITURES AND INVESTMENTS

#### ENVIRONMENTAL PROTECTION EXPENDITURES AND FEES FOR NEGATIVE ENVIRONMENTAL IMPACT IN 2018–2020, THOUSAND RUBLES

Indicator	2018	2019	2020	Change 2020/2019, %
Current environmental expenditures	470,924	519,799	481,978	–7
including:				
for protection of water bodies	242,633	235,889	229,136	–3
for protection of ambient air	138,915	202,584	202,513	0
for protection of land resources from production and consumption waste	38,787	42,007	28,352	–33
for land restoration	36,489	25,690	8,120	–68
Payment for environmental services, total, including:	126,437	263,489	130,365	–51
for protection of water bodies	54,750	66,841	55,673	–17
for protection of ambient air	11,914	22,941	14,677	–36

Indicator	2018	2019	2020	Change 2020/2019, %
for protection of land resources from production and consumption waste	35,324	43,384	23,390	–46
for land restoration	4,937	16,063	3,595	–78
Investment in equity that is sent for environmental protection	984,445	16,636	25,879	56
Payment for negative environmental impact	135,992	97,426	85,274	–12
including:				
for emissions of pollutants into the atmosphere	18,050	12,474	12,739	2
for discharges of pollutants into water bodies	9,010	5,204	10,966	111
for waste dumping	108,933	79,748	61,569	–23

## 12% – reduction of fees for negative impact on the environment

<p>Current (operating) costs for environmental protection in 2020 amounted to 481,978 thousand rubles. (less by 7%). In connection with the sale and purchase transaction of Krasnoyarskaya GRES-2 branch of OGK-2 JSC, since 01.10.2020, the current costs of waste management of the facility has not been taken into account. The current costs of land reclamation have significantly decreased, since Novochoerkasskaya GRES branch of OGK-2 JSC did not clear the supply canal corridor of the Don River.</p> <p>During the reporting period, work was carried out for 236 million rubles, within the environmental safety improvement program, including:</p> <ul style="list-style-type: none"> <li>investment program – 26 million rubles,</li> <li>environmental protection measures – 130 million rubles;</li> <li>including:</li> <li>monitoring costs – 24 million rubles;</li> <li>costs for the development of permits – 6 million rubles.</li> </ul>	<p>Payments for negative impact on the environment decreased by 12% vs. previous year indicators due to a decrease in the actual negative impact on the environment by the branches of OGK-2 JSC as a result of their production activities.</p> <p>The actual negative impact on the environment turned out to be lower than that of the previous year due to a decrease in electricity generation from 54,688 to 44,247 million kW*h (↓ by 19%), delivery of thermal energy from 6,647 to 5,844 thousand Gcal (↓ by 12%). In addition, a decrease in the negative impact is due to a change in the volume of fuel burned: a decrease in the amount of coal burnt from 7,442.3 to 5,151.3 thousand tons (↓ by 31%), the amount of gas burnt from 11,478.4 to 9,732.3 million m<sup>3</sup> (↓ by 15%), and the amount of fuel oil from 17.8 to 14.4 thousand tons (↓ by 19%).</p> <p>In connection with the construction of a new section of the M4 Don highway, excess methane emissions took place when gas was released into the atmospheric air as a result of work on the reconstruction of a part of the main gas pipeline branch of Novochoerkasskaya GRES, branch of OGK-2 JSC. Thus, payment for excess emissions has increased.</p>	<p>Payment for excess discharge can be explained by the discharge of insufficiently treated wastewater at Kirishskaya GRES, branch of OGK-2 JSC (the neutralizing tanks only allow adjusting the pH of wastewater). In addition, according to cl. 5 of Article 16.3 of Federal Law No. 7-FZ dd. 10.01.2002 "On Environmental Protection", since 2020, the coefficient to payment for limit-exceeding impact has increased by 4 times, therefore, payment for discharges in Kirishskaya GRES, branch of OGK-2 JSC, has increased significantly.</p> <p>At Troitskaya GRES, branch of OGK-2 JSC, payment for limit-exceeding discharge was significantly reduced due to the transfer of household waste water treatment facilities, which, due to dilapidation, failed to provide sufficient treatment, from the village of Troitsk to the City Administration.</p> <p>Payment for limit-exceeding waste disposal is due to the absence of approved waste disposal limits for Troitskaya GRES within two months in the reporting year.</p>
Gross pollutant emissions into the air decreased, in total, mainly due to a decrease in electricity generation, lower fuel consumption and a	change in the balance of burned fuel: reduction in the amount of coal burned from 7,442.3 to 5,151.3 thousand tons (by 31%), the amount	of gas burned from 11,478.4 to 9,732.3 million m <sup>3</sup> (by 15%), and the amount of fuel oil from 17.8 to 14.4 thousand tons (by 19%).



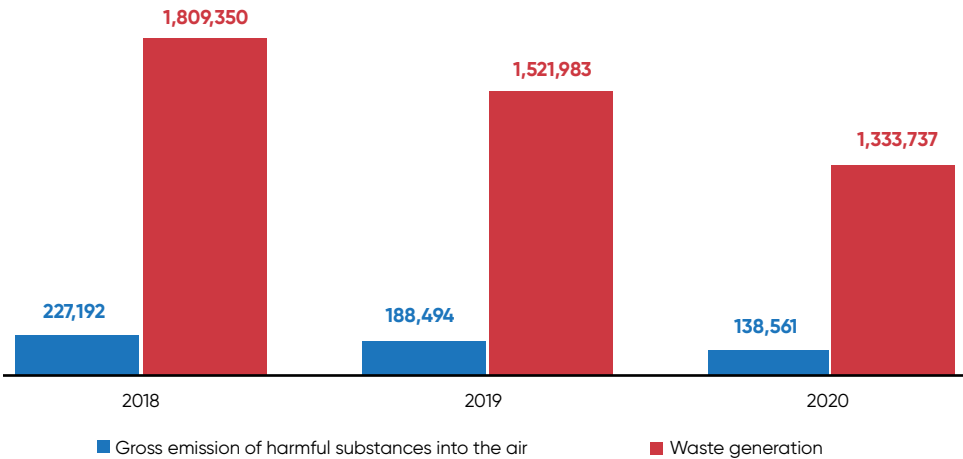
In connection with the sale and purchase transaction of Krasnoyarskaya GRES-2, branch of OGK-2 JSC, from 01.10.2020, the environmental impact during the economic activities of this facility was not taken into account. This power plant belongs to the branches of coal generation, makes a significant contribution to the indicators of emissions of pollutants and greenhouse gases.

In addition, the decrease in gross emissions is due to the final decommissioning of coal-fired generating equipment of Serovskaya GRES, branch of OGK-2 JSC.

Limit-exceeding methane emissions at Novocherkasskaya GRES, branch of OGK-2 JSC, is associated with the construction of a new section of the M4 Don highway.

26.5% – reduction in gross pollutant emissions to the atmosphere

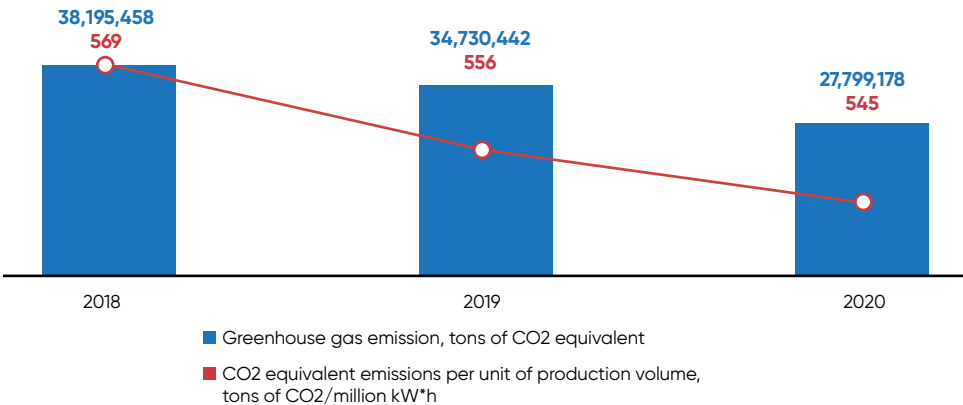
POLLUTANT EMISSIONS AND WASTE GENERATION, T



In terms of greenhouse gas emissions in 2020, there is a decrease in the indicator from 34,730,442 to 27,799,178 tons of CO<sub>2</sub>-equivalent, which is

due to a decrease in the generation of electrical and thermal energy, a decrease in the amount of fuel burned.

GREENHOUSE GAS EMISSION IN CO<sub>2</sub> EQUIVALENT



EMISSIONS OF POLLUTANTS, T

Branch name	2018	2019	2020	Change 2020/2019,%
Adlerskaya TPP	1,420	1,020	1,119	9.75
Kirishskaya GRES	5,729	7,502	5,096	-32.08
Krasnoyarskaya GRES-2	41,358	39,384	13,690	-65.24
Novocherkasskaya GRES	109,275	82,377	70,416	-14.52
Pskovskaya GRES	78	102	87	-14.11
Ryazanskaya GRES	13,984	17,678	12,121	-31.44
Serovskaya GRES	507	843	1,013	20.15
Stavropolskaya GRES	6,517	3,509	2,751	-21.6
Surgutskaya GRES-1	15,747	14,198	11,164	-21.37
Troitskaya GRES	25,156	19,546	16,528	-15.44
Cherepovetskaya GRES	7,420	1,737	3,515	102.4
Groznenskaya TPP	-	598	1,061	77.34
OGK-2 Totals	227,192	188,494	138,561	-26.49

WASTE GENERATION

25.5% – reduction in wastes generation

Waste generation decreased by 25.5% due to a 21% decrease in ash and slag waste generation (hereinafter – ASW) due to a reduction in solid fuel combustion.

The presence of waste at the beginning and end of the year at Troitskaya GRES is shown only at facilities located in the Russian Federation (the ash disposal area of the branch is located in the Republic of Kazakhstan, in the territory of the Russian Federation there is only an emergency tank where ash and slag waste can be temporarily placed).

In 2020, the amount of waste used at the enterprise has significantly decreased. In 2019, Novocherkasskaya GRES, branch of OGK-2 JSC, in accordance with the requirements of the approved WGDLB, disposed waste “soil formed during excavation, not contaminated with hazardous substances, sand waste not contaminated”, generated when clearing the corridor of the supply canal and used for filling dams. In 2020, these works were not carried out.

The increase in hazard class 3 waste is associated with a large amount of waste railway sleepers as a result of repair work at Ryazanskaya GRES, branch of OGK-2 JSC.

The increase in generation of oil sludge wastes is associated with the pumping of water-oil emulsion from the emergency oil tanks of KTC-1 and KTC-2, its treatment at the unit for treatment of oil contaminated wastewater and sludge formation at Surgutskaya GRES-1, branch of OGK-2 JSC.

WASTE GENERATION, T

Branch name	2018	2019	2020	Change 2020/2019,%
Adlerskaya TPP	116	105	101	-3.6
Kirishskaya GRES	3,310	2,316	7,449	221.6
Krasnoyarskaya GRES-2	228,563	191,190	77,237	-59.6
Novocherkasskaya GRES	1,053,686	922,172	677,847	-26.5
Pskovskaya GRES	145	129	161	25.2
Ryazanskaya GRES	115,040	136,973	96,138	-29.8
Serovskaya GRES	514	315	517	64.1
Stavropolskaya GRES	733	3,282	3,059	-6.8
Surgutskaya GRES-1	5,398	6,214	3,215	-48.3
Troitskaya GRES	364,977	252,620	241,602	-4.4
Cherepovetskaya GRES	36,868	6,654	26,339	295.8
Groznenskaya TPP	-	13	72	465.6
OGK-2 Totals	1,809,350	1,521,983	1,133,737	-25.5



ASW makes up 95% of the total amount of production and consumption waste of electric power facilities. ASW has good prospects for widespread use in order to save resources. It should be borne in mind that the gold slack material is a valuable mineral raw material that can be used in metallurgy,

the construction industry, in the construction of roads, and agriculture. Coal generation branches organized work on sale of ASW, developed and received appropriate certificates and technical specifications proving that ash and slag material can be used as a raw material for use in various fields of activity.

In 2020, the following amounts were shipped to suppliers: dry ash – thermal power plant loss – 67.428 thousand tons, ash and slag waste from ash dumps – 271.355 thousand tons and 610 tons of fly ash.

Branch of OGK-2 JSC	Dry ash transferred to other enterprises, tons	ASW from ash dumps transferred to other enterprises, tons	Transferred to other enterprises, fly ash
Novocherkasskaya GRES	25,085	10,499	403
Ryazanskaya GRES	37,077	260,856	-
Troitskaya GRES	5,266	-	207
Cherepovetskaya GRES	-	-	-
Total for OGK-2 JSC	67,428	271,355	610

The decrease in the pollutants mass is due to reduced electricity generation compared to 2019, as wastewater

disposal to water bodies have also decreased.

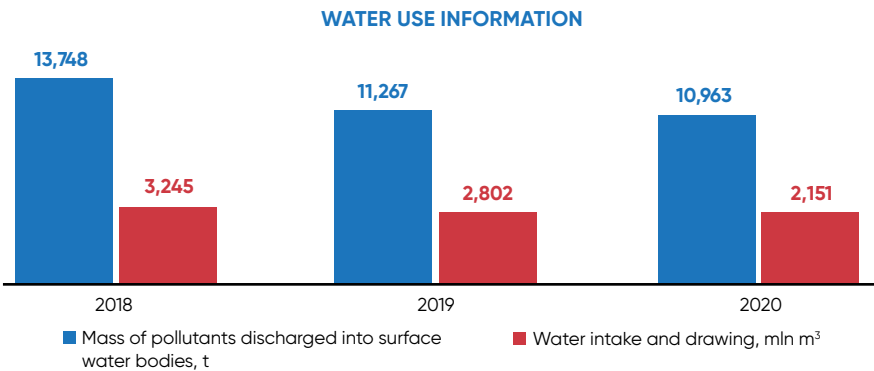
The name of indicators	2019	2020
Total mass of pollutants discharged into surface water bodies, t, including:	11,267	10,963
within VAT	6,419	5,279
limit-exceeding	4,848	5,684

WATER USE

Total water intake and preparation in the Company decreased. This

indicator directly depends on the generation of electricity. In 2020, there

was a 19% decrease in electricity generation.



An increase in underground water consumption occurred in Ryazanskaya GRES, branch of OGK-2 JSC, due to the following reasons:

- cleaning the pipeline after repair (partial replacement of the pipeline) before commissioning;

- repair of shower rooms and restoration of the working capacity of shower heads;
- transfer of plumbing units from industrial water to artesian water.

In Surgutskaya GRES-1, branch of OGK-2 JSC, the water consumption

for block air conditioners increased due to the early start and late end of the warm period in 2020 (April – October).

Water use and wastewater disposal in 2020 decreased by 22–23%. This indicator directly depends on the generation of electricity and water

intake. In 2020, there was a decrease in electricity generation by 19%, as well as a decrease in water intake by 23%.

In addition, in connection with the sale and purchase transaction in relation to Krasnoyarskaya GRES-2,

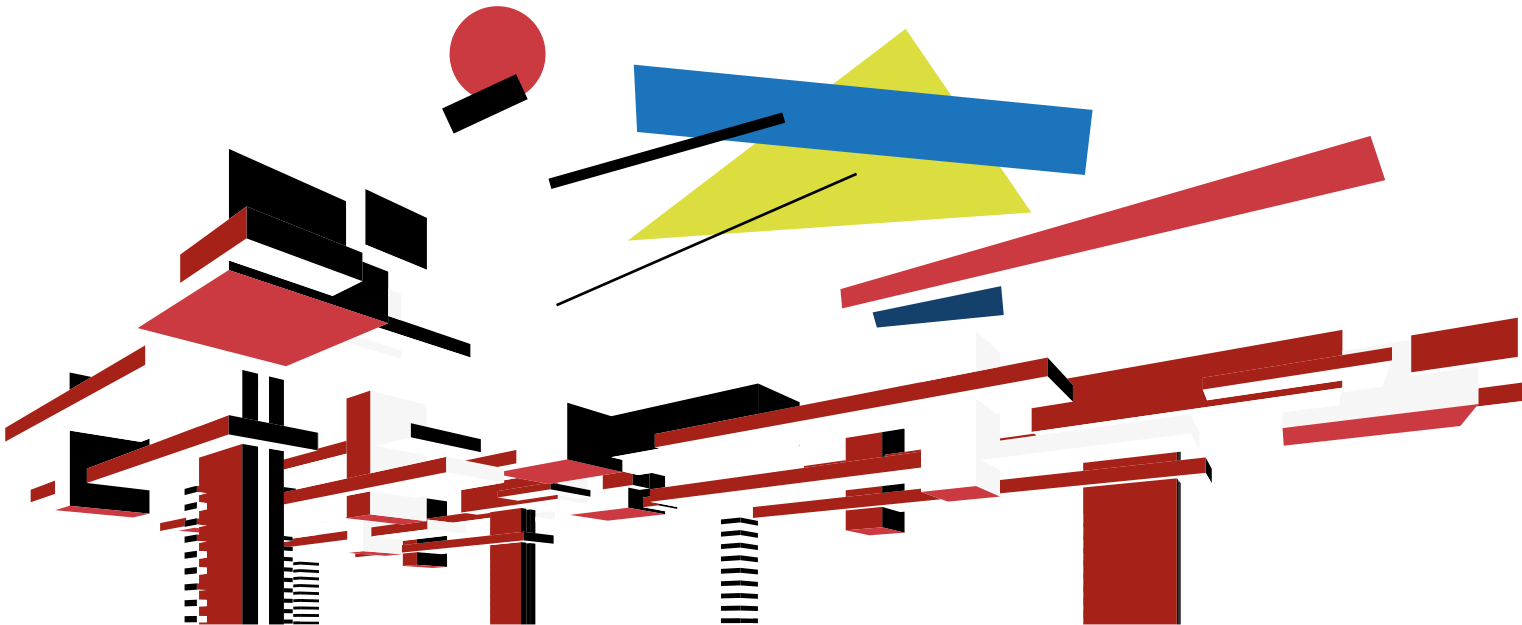
branch of OGK-2 JSC, since 01.10.2020, the environmental impact from the economic activities of this facility has not been taken into account.

In 2020, the disposal of contaminated wastewater to surface facilities was

significantly reduced due to the transfer of dilapidated treatment facilities to the City Administration by Troitskaya GRES, branch of OGK-2 JSC, in accordance with a court decision.

PLANS TO REDUCE THE NEGATIVE IMPACT ON THE ENVIRONMENT

- Reconstruction of the water disposal system at Kirishskaya GRES. Implementation period: 2021–2023. Effect: elimination of discharges of pollutants into the Talitsa river.
- Installation of sensors for continuous monitoring of the content of oil products in wastewater from Surgutskaya GRES-1 and Kirishskaya GRES. Implementation period: 2021–2023. Effect: automated control of the content of oil products in wastewater, minimization of the risks of pollution of water bodies with oil products.
- Installation of metering devices for the volume of water taken by Ryazanskaya GRES for industrial needs from the water body. Implementation period: 2020–2021. Effect: instrumental control and accounting of the volume of industrial water consumption, optimization of water consumption.
- Reconstruction of a fish protection structure at the water intake unit of Novocherkasskaya GRES. Implementation period: 2021–2023. Effect: increasing the efficiency of the fish protection structure, minimizing the risk of possible damage to aquatic biological resources.



## 2.3 Human Capital

### HR MANAGEMENT POLICY

In all regions of presence, our Company can be rightfully called, if not the best, but definitely one of the best employers. However, we also expect our employees to be concerned with the future prospects of development of the enterprise by participating in the process aimed at its improvement. We need people who are ready to treat the company as a personal matter, who associate their personal success with its future. Only by joint efforts can we build a company in which it is interesting and prestigious to work.

The OGK-2 staff management policy is based on principles conducive to the successful socio-economic development of the Company and a harmonious combination of the interests of employees, shareholders, consumers and the state, creating the necessary conditions for ensuring the Company's leading positions in the market and the implementation of its mission.

The key principles for building relationships between employees within the Company are defined in

the Code of Corporate Conduct. The Company provides transparency and openness in staff management, improves management methods, providing favorable working conditions, as well as providing opportunities for advanced training and realization of the potential of employees.



### HR MANAGEMENT POLICY IMPLEMENTATION

Directions for the HR Management Policy Implementation	Activities implemented in 2020	Activities planned for 2021
Attraction, selection and fulfilling the potential of employees	<ul style="list-style-type: none"> <li>Work was carried out to staff Svobodnenskaya TPP in accordance with the recruitment schedule.</li> <li>Measures were taken to implement the requirements of the labor law of the Russian Federation in terms of transition to electronic generation of labor activity data.</li> <li>New channels of communication with personnel were introduced: as part of countering the spread of a new coronavirus infection, a procedure for information interaction was developed in the format of daily monitoring of the situation related to personnel, as well as hot lines, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Improvement of corporate procedures for personnel onboarding.</li> <li>Raising the level of personnel awareness about the directions of the Company's development.</li> <li>Development of programs for encouraging graduates of specialized educational institutions from other regions of the Russian Federation to relocate to the regions where the Company's production facilities are located.</li> </ul>
Training and development	<ul style="list-style-type: none"> <li>The directions and forms of training in a distance format were expanded in connection with the implementation of anti-epidemic measures.</li> <li>The system of work with students and young specialists was updated in line with the approaches used by the company.</li> <li>The material and technical base for organizing on-the-job training of employees in five branches of the Company was updated.</li> </ul>	<ul style="list-style-type: none"> <li>Participation in corporate projects aimed at automation of the training and personnel development processes and improvement of the distance learning system.</li> <li>Participation in the implementation of corporate staff training and development programs.</li> <li>Development of a system of work with the labor pool.</li> </ul>

Directions for the HR Management Policy Implementation	Activities implemented in 2020	Activities planned for 2021
Incentives and Remuneration	<ul style="list-style-type: none"> <li>A unified Collective Agreement of OGK-2 JSC for 2021–2023 was concluded.</li> <li>The "Regulations on Remuneration Paid to Top Managers of OGK-2 JSC" was developed and implemented.</li> </ul>	<ul style="list-style-type: none"> <li>Continuation of work on updating the current local regulations of the Company on remuneration.</li> <li>Development of methods for determining the standard number of staff in terms of the functions fulfilled.</li> </ul>

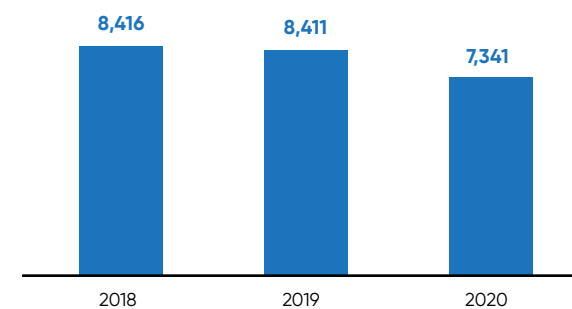
### HEADCOUNT AND STAFF STRUCTURE

As of 31.12.2020, the headcount of the Company (executive staff and branches) amounted to 7,341 persons, demonstrating a decreased by 12.7% vs. 2019 indicators. The decrease in the number of staff is due to the measures

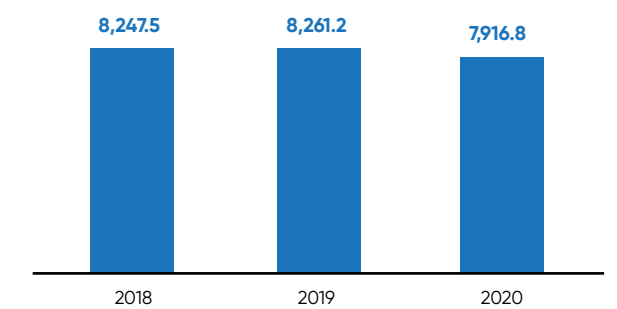
taken in 2020 to alienate the property of Krasnoyarskaya GRES-2, branch of OGK-2 JSC, optimization measures due to decommissioning of the equipment of Cherepovetskaya GRES, branch of OGK-2 JSC, Ryazanskaya

GRES, branch of OGK-2 JSC, and Serovskaya GRES, branch of OGK-2 JSC.

### STAFF NUMBER OF THE COMPANY, PERSONS

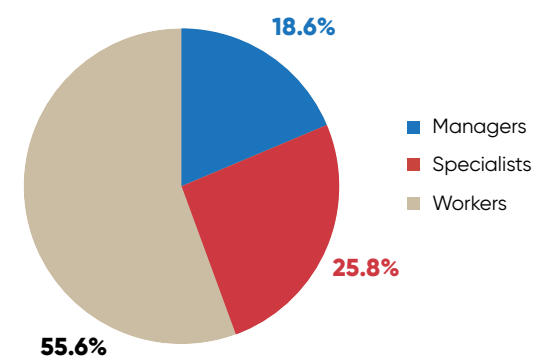


### THE AVERAGE NUMBER OF EMPLOYEES, PERSONS\*

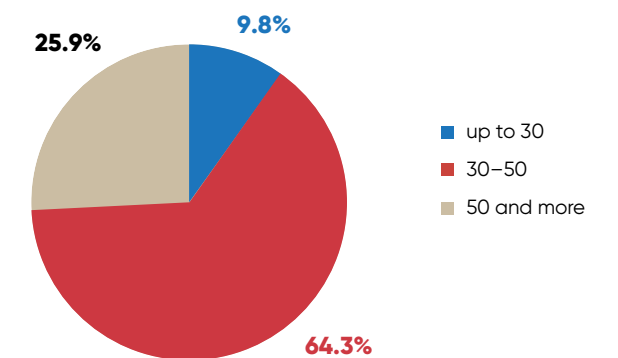


\* Average headcount calculated in accordance with section 2.4.1 of Appendix to the Order of Rosstat dated November 27, 2019 No. 711.

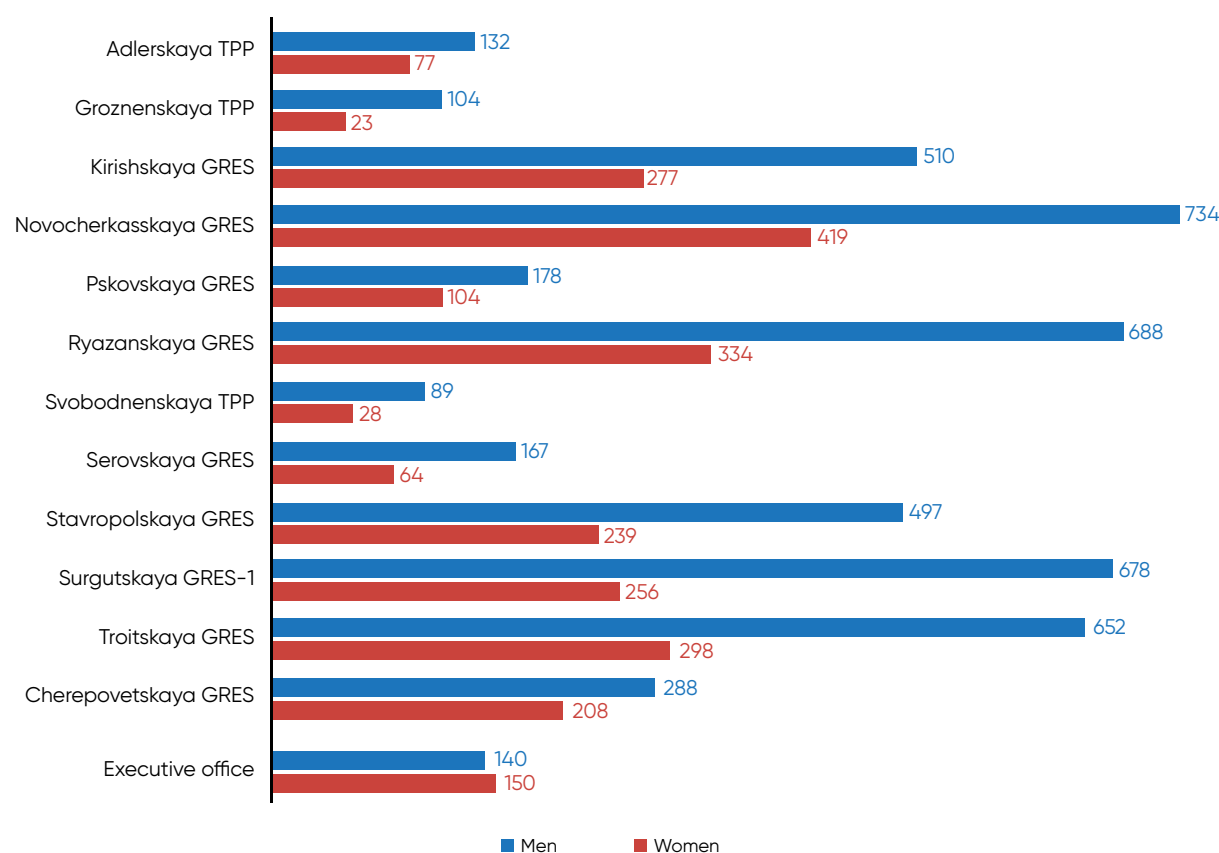
### STAFF STRUCTURE BY CATEGORIES



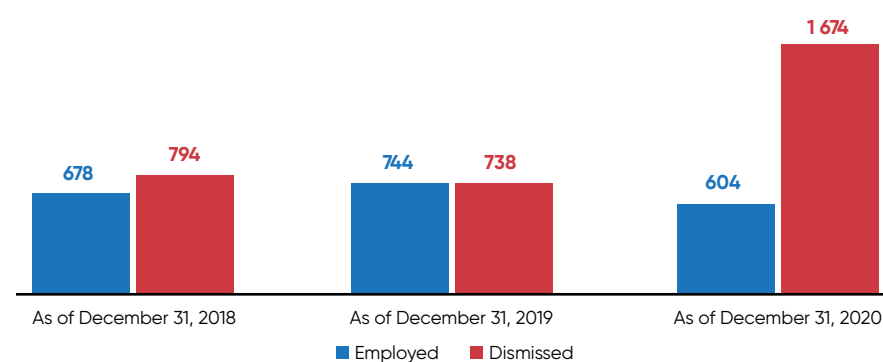
### STAFF AGE PROFILE



## THE COMPANY'S GENDER STRUCTURE



## STAFF MOVEMENT, PERSONS



## STAFF REWARDING SYSTEM

OGK-2 has built a comprehensive incentive system based on competitive wages, remuneration for results and the social component.

The system includes tangible and intangible types of incentives, is closely linked to key performance indicators (KPIs), and is constantly

being improved in accordance with the current and strategic objectives of the Company.

## INTERESTS AND RIGHTS OF EMPLOYEES

One of the key areas of OGK-2 policy in the personnel sphere is to ensure the social security of employees. Trade union organizations unite a significant part of the Company's employees and participate in resolving issues affecting professional, social and labor rights and interests of employees.

An important element of interaction of the Employer with the Trade Unions is the development and implementation of the collective agreement. The result

of active collaboration with trade union organizations in 2020 was the adoption of a decision to conclude a collective agreement for the entire company for OGK-2 JSC for 2021–2023.

As part of the meetings of the Committee for Settlement of Social and Labor Issues in OGK-2 JSC (hereinafter referred to as CSSLI), during 2020, joint consultations were held with employee representatives in

order to develop and make optimal decisions on social and labor and related economic issues. About 20 issues were considered by CSSLI on the following topics: occupational safety, work with personnel during the spread of coronavirus infection, provision of personnel with personal protective equipment, benefits and compensation for work related to harmful working conditions based on the results of special assessment of working conditions, etc.

## VOLUNTARY PERSONAL INSURANCE AND RETIREMENT BENEFITS PROGRAM

In the effort to take care for the health and protection of the property interests of employees, the Company implements the following personal insurance mechanisms approved as part of the insurance coverage program:

- voluntary health insurance;
- voluntary insurance against accidents and illnesses;
- insurance of expenses of citizens traveling outside their permanent place of residence.

case they or their relatives and friends have a complex or serious illness that requires the provision of high-tech medical care.

The system of non-state pension schemes (NPS) for employees OGK-2 JSC allows ensuring a decent standard of living in retirement age and helps to attract and retain qualified personnel in the Company. In order to implement pension programs, the Company during 2020 interacted with such non-state pension funds as NPF GAZFOND JSC and NPF Otkritie JSC.

The total amount of funds allocated by the employer to finance personal and pension insurance programs in 2020 amounted to more than 158 million rubles. The decrease in the total amount of funds allocated for the provision of these programs is due to a change in the approaches to financing the work of the health centers of the Company's branches.

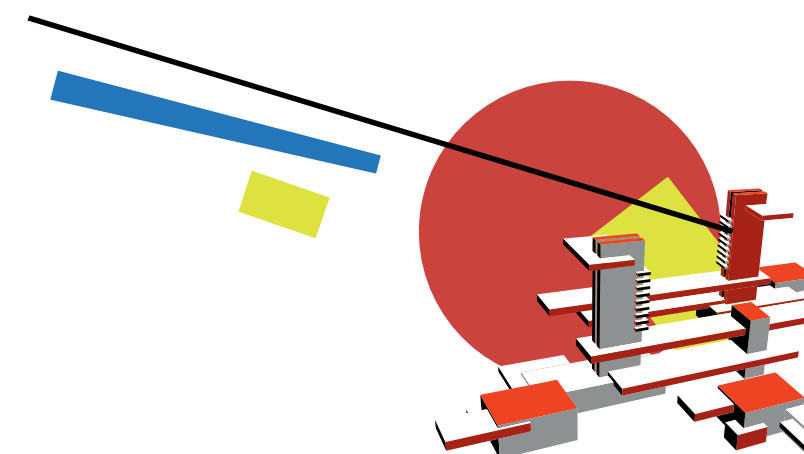
With the financial participation of the Company, employees are insured in

## IMPLEMENTATION OF PROFESSIONAL STANDARDS

OGK-2 JSC continues to actively work on the implementation of professional standards in accordance with the labor law of the Russian Federation and interacts with the All-Russian Intersectoral Association of Employers in the Energy Supply Area (RaPE Association) to update

the developed and apply existing professional standards. Work is underway to develop qualifications and requirements for qualifications, for compliance with which an independent assessment of employee qualifications will be carried out in accordance with professional standards.

As of the end of 2020, OGK-2 uses 14 mandatory and 48 optional professional standards.





*Personnel training and development is of particular importance for ensuring high productivity and labor efficiency and therefore is traditionally in the focus of attention of energy enterprises. To this end, we have developed and are implementing a whole range of measures to develop the human resources potential of OGK-2 JSC, to create conditions for its successful implementation. By introducing coaching, we ensure the continuity of generations, and by implementing corporate training programs, we develop the leadership qualities of young specialists and form a talent pool. With these areas of activity, we create the foundation for the sustainable development of the company in the future"*

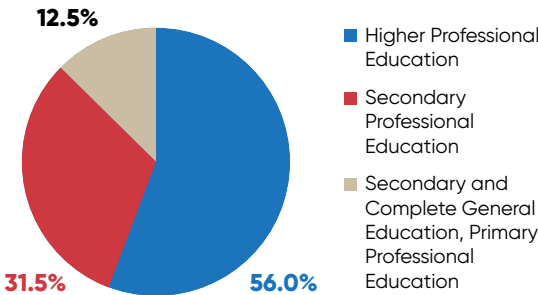
**Maria Sharova, Head of the Human Resources Department of OGK-2 JSC**

OGK-2 creates conditions for professional development and improvement of personal, business and engineering competencies of employees through the corporate training and development system. Employees of the Company are

trained in a wide range of programs and areas, including both compulsory training, implemented in accordance with the requirements of the law of the Russian Federation and necessary for obtaining permits for independent operation of equipment by personnel,

and advanced training related to the development of technologies, changes in regulatory legal framework, building the potential for professional growth of employees.

STAFF EDUCATION LEVEL



Training is carried out in specialized accredited training centers equipped with modern material and technical facilities, simulators for thermal and mechanical and electrical equipment, laboratories and highly qualified teaching staff. In 2020, OGK-2 completed a project to establish classrooms in five branches, equipped with computers and presentation equipment, for the effective organization of distance learning, professional skills competitions, special training of employees and other forms of training.

The total expenses for training, further training, professional development and short-term educational programs for the Company's employees in 2020 amounted to more than 45 million rubles.

During 2020, 244 employees were trained in the areas of specializations demanded by the Company and received higher and vocational secondary education.

In 2020, training on the corporate Training Web portal of Gazprom Energoholding LLC for employees

of OGK-2 JSC was organized in the amount of 3,862 person/courses in 37 training courses, including mandatory certification areas and knowledge testing, development of business and management competencies, use of office programs, etc.

Targeted training on compliance with the Code of Corporate Conduct was organized for 4,678 persons, including 1,901 persons (40.64%) who were trained in a distance format using the Training Portal.

The Company considers maintaining the optimal age structure of personnel and ensuring the professional continuity of generations as one of the strategic tasks in the field of HR policy.

The Company pays special attention to the professional development and career growth of young professionals. In order to identify, promote and support the most talented and proactive ones, OGK-2 holds conferences and competitions within the framework of individual functional modules and the Company as a whole. In 2020, OGK-2 held the twelfth Competition of young

specialists and rationalizers, in which 73 persons took part, who submitted 67 papers for consideration.

In order to preserve and develop the traditions of responsible, trouble-free work and ensure the continuity of technical knowledge and skills, targeted work with the employee pool is being implemented. In 2020, 57 persons of 888 employees of the Company included in the employee pool, underwent targeted training, and 41 persons were appointed to senior positions. 72% of vacancies formed in 2020 for reserved positions were filled by employees of OGK-2 from among the employee pool.

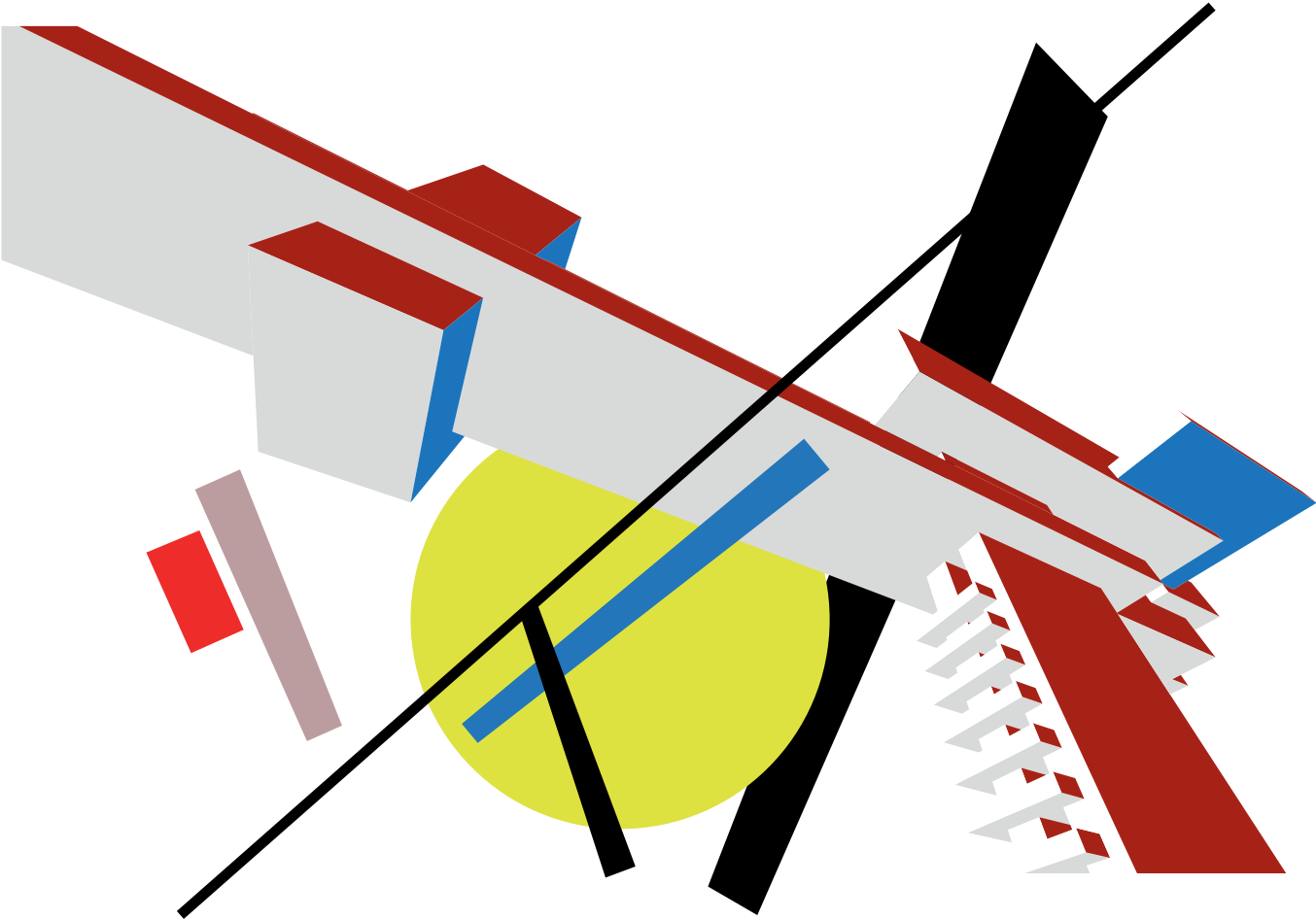
In 2020, OGK-2 took an active part in the implementation of corporate programs of the companies of Gazprom Energoholding Group "TRIZ School: Methods for Solving Inventive, Managerial and Production Issues", "HR Specialist", "Young Specialist School". Additionally, 21 members of the personnel pools were trained under the Personal Management Art program.

YOUNG PROFESSIONALS COUNCIL

Since 2018, the Young Professionals Council has been functioning in OGK-2 JSC, which includes employees of the executive office and branches of the Company. Its main task is to pool and accumulate experience, maximize the use of creative and intellectual potential and involve new young employees in the professional and social life of the Company.

Members of the Young Professionals Council of OGK-2 take an active part in organizing and conducting career guidance programs, social and charitable projects, sports and intellectual events, competitions for young specialists and innovators and scientific and technical conferences.

2020 was marked by the victory of Andrey Tikhonov, shift supervisor of the Chemical Engineering Department of Stavropol GRES, within the engineering panel of the IX Competition of Young Specialists and Innovators of Gazprom Energoholding LLC.



## 2.4 Occupational Health and Safety



### Occupational safety costs in the amount of 422.2 million rubles

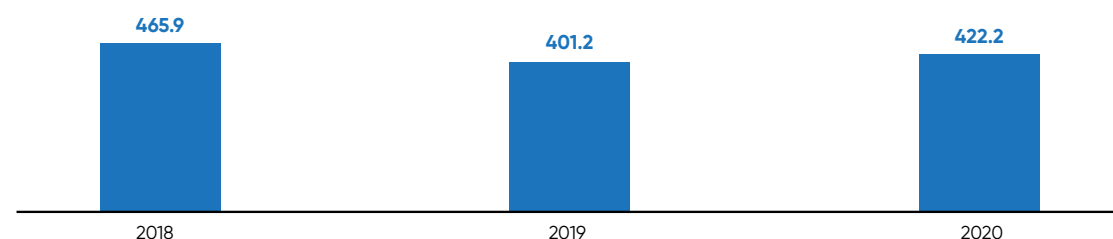
*"The issues of compliance with occupational health and safety and industrial safety at OGK-2 JSC are constantly in the focus of our attention. In turn, we strive to achieve high standards and performance in this area, succeeding in development of conscious safe behavior patterns of production staff and prevention of root causes of potential bottlenecks"*

Deputy Managing Director for Production – Chief Engineer at OGK-2 JSC  
Sergey Zaitsev

#### OCCUPATIONAL SAFETY MANAGEMENT SYSTEM

- The OGK-2 occupational safety management system is aimed at ensuring industrial safety, preserving the life and health of workers in the process of their production activities. The current system fully complies with the requirements of the Russian legislation. OGK-2 obligations on occupational safety issues are further enshrined in collective agreements.
  - In accordance with the law of the Russian Federation in the field of occupational safety, OGK-2 JSC developed a regulation "On the Occupational Safety Management System at OGK-2 JSC" (Regulation on OSHMS) which was put into effect by order No. 474 dd. 15.11.2018.
  - The Regulation on OSHMS contains requirements for the organization of occupational safety management
- at OGK-2 JSC and in its branches, the objectives of the OSHMS, forms and methods of their resolution, methods for assessing the effectiveness of the OSHMS, as well as regulations and recommendations in accordance with which work to create safe and healthy working conditions in the branches of OGK-2 JSC is carried out, functions and duties of employees of the executive body and branches in relation to OSHMS.
- Objectives in the field of occupational safety:
  - work without injuries;
  - exclusion of cases of occupational diseases;
  - continuous improvement of working conditions.
- Main areas of labor protection:
- safety and health risk management;
  - work with personnel in accordance with the standards;
  - providing personnel with high-quality and reliable means of protection;
  - planning and financing of labor protection measures;
  - providing employees with regulatory documents on labor protection;
  - conducting internal and external audits of the state of labor protection, examination of working conditions.

COSTS OF OCCUPATIONAL SAFETY ACTIVITIES, MILLION RUBLES



Monitoring the state of occupational safety and functioning of the Company's OSHMS involves daily operational control carried out by employees, job supervisors, as well as managers and specialists of structural divisions, administrative and public control, holding Occupational and Fire Safety Days, control carried out

by the Occupational Safety and Production Control Service, audits (inspections) of OSHMS functioning, state control (supervision).

Monitoring the state of occupational safety and OSHMS functioning is aimed at checking the state of working conditions of employees,

fulfilling of labor duties on occupational safety by managers and specialists, identifying and preventing violations and deviations from legislative and regulatory legal acts containing occupational safety requirements.

### In 2020, no accidents were recorded in OGK-2.

INDUSTRIAL ACCIDENTS IN 2018–2020, PEOPLE

Indicator	2018	2019	2020
Industrial accidents, persons	3	1	0
including:			
- severe	0	0	0
- resulting in death	0	0	0

#### EXAMINATION BOARD

By order of the Managing Director, a standing examination commission (SEC) was established in the Company to test knowledge of the rules, standards and instructions for technical operation, occupational safety, fire safety and other regulatory and technical documents (order dated October 29, 2018 No. 439).

The commission consists of a chairman, one deputy chairman and five members of the commission.

All members of the commission, the chairman, deputy chairman were trained in occupational safety, fire safety and industrial safety.

For each branch, lists of questions have been developed to test the

knowledge of rules, instructions, standards and other regulatory and technical documentation for employees.

Timely training of employees on occupational safety was organized in third party educational organizations that have a license and accreditation.

### In 2020, 23 persons were tested by SEC, and 1,929 persons were tested by the commissions of branches.

In 2020, the Committee for Settlement of Social and Labor Issues met 4 times, the procedure for the

Committee's work is determined by orders of OGK-2 JSC.

#### OCCUPATIONAL SAFETY MEASURES

In 2020, OGK-2 JSC carried out 548 control and preventive inspections of compliance with occupational safety, industrial and fire safety requirements as part of organization of production control at HPF. In total, 6,626 violations and deviations from the requirements

of regulatory legal acts in the field of occupational safety, industrial and fire safety were identified. 6,170 violations were eliminated, the rest 456 violations are being eliminated.

Special assessment of working conditions in nine branches of the Company was carried out; to perform this work, contracts were concluded with specialized organizations. A total of 1,249 workplaces were assessed.



## PLANS FOR 2021:

- As part of implementation of the regulatory guillotine in the field of occupational safety and industrial safety, in 2021 the Company will revise a number of organizational and administrative documents on occupational health and safety and industrial safety.
- In connection with the introduction of updated rules on occupational safety since January 1, 2021, OGK-2 JSC planned to conduct training followed by unscheduled assessment of knowledge. Training and assessment of knowledge will be carried out for members of SEC of the executive office of OGK-2 JSC according to 16 Rules on Occupational Safety.
- As part of implementation of FZ-426 "On Special Assessments of Working Conditions", it is planned to carry out special assessment of working conditions at workplaces in seven branches, the total number of workplaces where special assessment of working conditions will be carried out is 1,661.
- As part of the comprehensive inspections (in the form of internal technical audit and production control) of branches of OGK-2 JSC, an inspection of two branches is preliminarily scheduled. The final list will be generated dynamically taking into account the epidemiological situation.

## 2.5 Social Partnership



**The principle of social partnership is our main priority in the interaction of business with the Company. We actively interact with municipal authorities, the media, non-profit organizations and the local population and take their interests into account when making decisions.**

### SOLEMN EVENTS

In 2020, OGK-2 JSC celebrated its 15th anniversary.

In the context of preventing the spread of coronavirus infection, the events were carried out mainly in a remote format. In order to maintain and further strengthen the corporate spirit of labor teams, the company held a corporate event "2020 Energy of unity" in an online format aimed at uniting and consolidating efforts of employees of OGK-2 JSC branches, as well as industry veterans. The event highlighted the results of the company's activities, an award campaign was held, the achievements of innovators and the Youth Council were assessed.

In 2020, as part of the celebration of the Day of the Power Engineer, a

contest of videos was held in view of the 15th anniversary of the company. The event was attended by dozens of employees of OGK-2 JSC from 12 regions where the company conducts operations, from the North-West Federal District to the Far East. Songs composed and performed by non-professional authors, inspiring dances and vivid special effects – the works submitted for the competition were distinguished by variety in genre, high quality of performance and originality of presentation. It was difficult for the jury to select the best of the best. The video submitted by Stavropolskaya GRES, which took first place, was the absolute record holder in terms of the points scored, the silver medal was given to the Executive Office of the Company, the bronze medals were given to two power plants of

OGK-2 JSC – Troitskaya GRES and Surgutskaya GRES-1.

The company organizes and conducts events to maintain corporate traditions and values. During 2020, in order to maintain traditions, the continuity of generations, events were held to celebrate the 75th anniversary of Victory in the Great Patriotic War: Victory Energy children's drawing competition held in the fuel and energy complex, meeting of WWII veterans with the leadership of the energy industry, participation in festive and solemn events, honoring the veterans of OGK-2 JSC.

### ENERGY OF GENERATIONS

An important step towards maintaining the prestige and popularization of the energy profession is career counseling for students. For this purpose, excursions to enterprises and events for children, topic-related classes at schools,

lectures, information lessons, quests for schoolchildren on issues related to the energy industry, energy saving in all regions of OGK-2 JSC presence are held on a regular basis. Excursions for first-graders – children of employees of power plants – dedicated to the

Day of Knowledge, have become traditional in all branches of the Company.

**The career guidance project of Kirishskaya GRES #Iwanttobethedirector won first place in the Project for Children nomination of the XI corporate competition for public relations services of subsidiaries of Gazprom PJSC. OGK-2 maintains high performance in organizing and involvement of attracting young specialists, students and schoolchildren in the events.**

## SPORTS, EMPLOYEE HEALTH

The Company's 2020 sports events plan included more than 100 competitions in various sports held at various levels – from interdepartmental competitions of branches to tournaments organized by the Ministry of Energy of the Russian Federation, the government of Moscow and St. Petersburg. Due to the current restrictive measures, all sports events were canceled during the pandemic. Holding of the 1st Skiing Tournament for the Cup of Gazprom Energoholding LLC in January 2020 became an exception. The team of OGK-2 JSC showed the best results and took first place in the tournament.

Under the prevailing conditions, online competitions and trainings in various sports were organized on a specialized electronic platform "Vmarafone". This has created opportunities to host industry and

corporate sporting events regardless of the location of the participants, including in conditions of restrictions associated with the spread of the new coronavirus infection. Employees of OGK-2 JSC took an active part in the "Vmarafone" project. Athletes of the Ryazanskaya GRES branch won prizes among the companies in the fuel and energy industry.

Taking into account the epidemiological situation in the reporting year, the company took measures to preserve the health of the company's employees. In order to prevent the spread of coronavirus infection, the company introduced restrictive measures on the employees physical presence at their office workplaces, the majority of administrative employees were switched to remote work. Measures were taken to safely transport employees to their workplaces, and relocations of employees were minimized. PCR-

based diagnostics for COVID-19 was organized for employees returning to work after long absence and in case of suspected illness. Thermometry was organized before the start and during the work day. Employees are provided with medical equipment for personal protection of respiratory organs and hands, bactericidal lamps, sanitizers are installed, information materials are posted.

In the event of illness and detection of contacts with infected persons, procedure for information interaction was developed in the format of daily monitoring of the situation related to personnel, "hot lines" for transmitting information, and operational reporting were organized. If necessary, the employer provided assistance with hospitalization of employees who have fallen ill, provided them with medications.

## INTERACTION WITH THE MEDIA, THE PUBLIC AND AUTHORITIES

The information policy of OGK-2 JSC is based on the principles of transparency and openness. The press service of the Company professionally covers the activities of the Company, provides ongoing comments to inquiries from representatives of the mass media, organizes briefings and press tours in the regions of presence, and assists journalists in creating special reports and films.

Throughout 2020, the activities of the Company were actively covered by the federal and regional mass media in the following areas: financial performance, production, environmental and social issues, social and sports life of the team. The PR divisions of the Company interact with news agencies, electronic and print media, public organizations and authorities.

With the aim of increasing personnel involvement, creating a unified information environment and integrating employees working in different branches, OGK-2 publishes the corporate newspaper called "Generation". The publication traditionally covers various aspects of the Company's activities: from current production news to interviews with industry veterans and longreads about labor dynasties. The Generation newspaper is a unified

information space outreaching more than seven thousand employees from the Far East to the North-West.

Another effective communication channel for OGK-2 JSC is the social networks Instagram, VKontakte, Facebook and YouTube. Unique content is published daily in the official accounts of the Company, involving into dialogue not only OGK-2 employees, but also students, potential employees and colleagues from other energy companies. By integrating informal tone of voice and smart visual presentation, organic social media subscriber growth in 2020 increased by about 15%, which is a significant indicator for a company operating in the energy sector.

In addition, in 2020 OGK-2 JSC was awarded a number of honorary PR prizes for special corporate projects.

Silver Threads Award:

- Grand Prix in the nomination "Best Corporate Video/Film" – special project "With Energy through Life";
- Nomination "Best Corporate Video/Film. Company Image" – corporate video "You Don't See Us, But We're Always Around".

ConTEKst Award:

- Diploma of the 2nd degree in the nomination "Best Charitable Project" – the charitable inclusive festival of OGK-2 JSC "I am like everyone else";
- 3rd place in the nomination "Best Image Project" – corporate video "You Don't See Us, But We're Always Around."

Interaction with state authorities and local self-government of the regions where the Company operates is based on the principles of open dialogue and reliable partnership. Company leaders and heads of local governments interact in many areas of activity, including regional development. Representatives of the Company's branches participate in the implementation of regional development projects, environmental and social orientation as experts in the field of electricity.

Given the positive reputation of the Company among the population of the regions of presence as a reliable and socially responsible enterprise, employees of several branches were elected to representative bodies of local self-government.

## SOCIAL ACTIVITIES AND CHARITY

### 6.8 million rubles was allocated for charitable activities in 2020

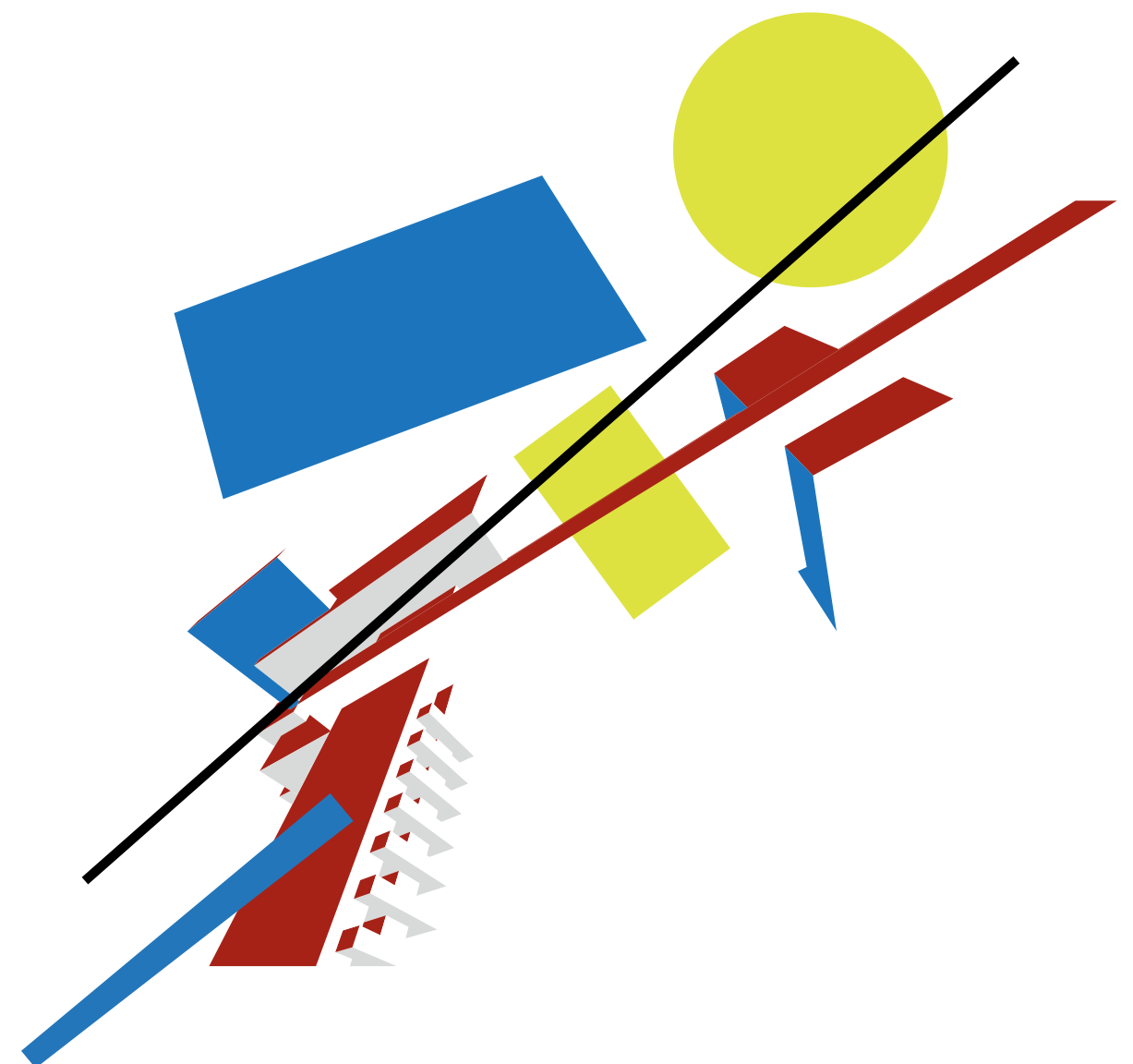
As a socially responsible company, OGK-2 JSC has been socially active for many years, focusing not only on the Company's employees, but also on their family members, veterans, young people, as well as the local population in the regions of presence.

The Company conducts charitable work in thirteen regions of presence of branches and the executive office, including St. Petersburg. In 2020, 6.8 million rubles were allocated for charitable assistance. The funds are distributed within the framework of in-person and correspondence meetings

of the Charity Committee, acting on the basis of the relevant Regulation.

Support was provided to sick children and disabled people, children's educational and sports institutions in the Pskov, Vologda, Sverdlovsk, Rostov regions, Krasnodar Territory and Khanty-Mansi Autonomous Okrug-Yugra. In connection with the celebration of the 75th anniversary of the Victory in the Great Patriotic War, charitable assistance was provided to several regions of the Company's presence for the reconstruction of memorials and monuments: repair

and improvement of the "Front Edge of Defense" stele in Kirishi, Leningrad Region, reconstruction of the memorial in Novomichurinsk, Ryazan Region. In addition, OGK-2 JSC took part in financing the establishment of the People's Military and Historical Museum Complex of the Great Patriotic War "Sambek Heights" in the Rostov Region and the Memorial of Partisan Glory in the Pskov Region.



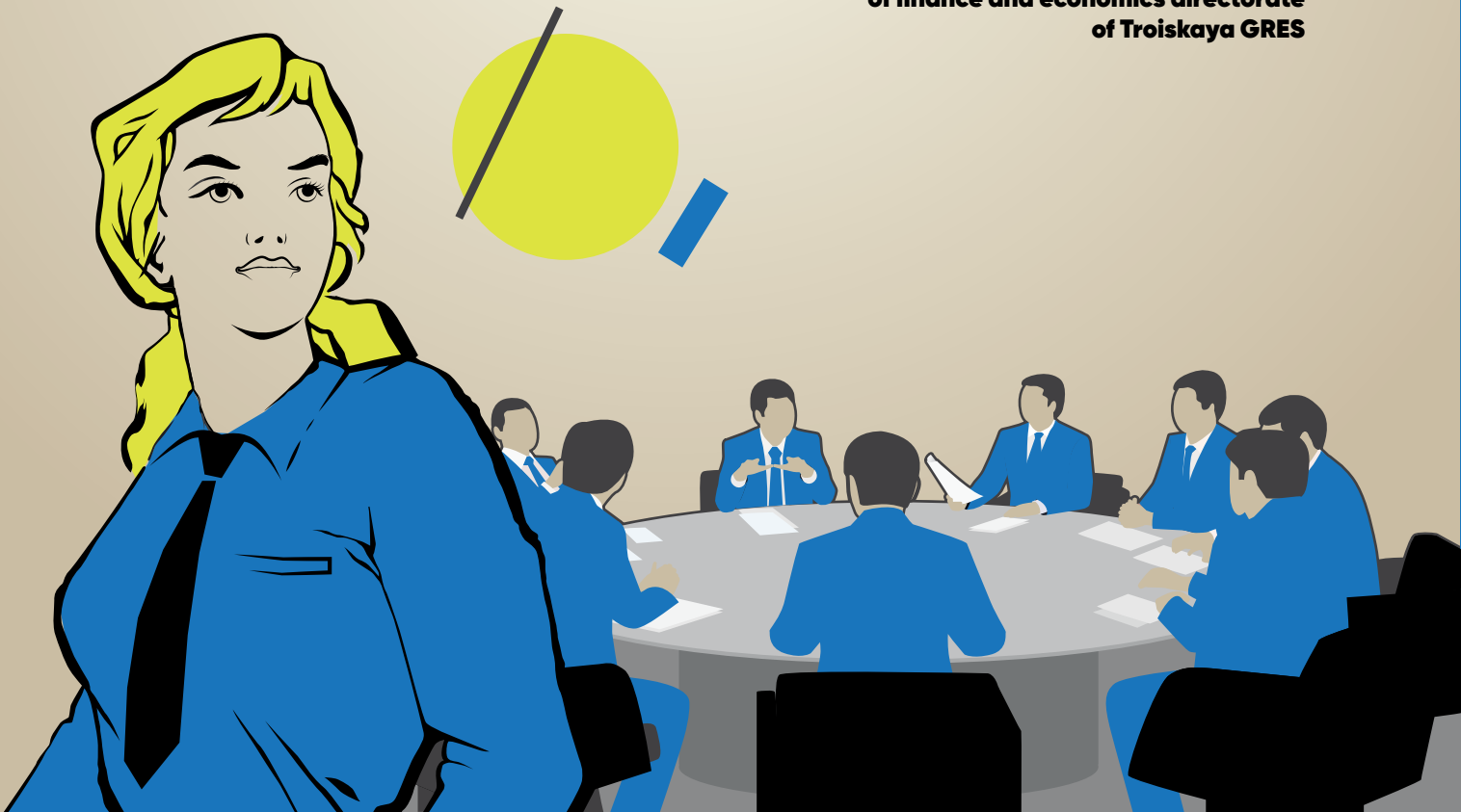
# 3. CORPORATE GOVERNANCE REPORT

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My job is utilities.  
It is not empty talk?  
This is our common cause, like a family.  
In order to shine our windows,  
and fill our hearts with confidence.  
Utilities always care for  
light, coziness and warm.

**Natalia Kharkova,**  
**1st grade specialist at financial section**  
**of finance and economics directorate**  
**of Troiskaya GRES**



132 ISSUES

DISCUSSED BY THE BOARD OF DIRECTORS  
IN 2020 (20 MEETINGS HELD)

64 ISSUES

DISCUSSED BY THE COMMITTEES UNDER THE BOARD  
OF DIRECTORS (23 MEETINGS HELD)

2 INDEPENDENT  
DIRECTORS

ON THE BOARD OF DIRECTORS





## 3.1 Memorandum of Intents of Gazprom PJSC

Electric power industry is a strategically important area of Gazprom Group operations. Over the past 10 years, the largest vertically integrated electric power holding in Russia has been created within the structure of Gazprom PJSC, combining assets in the field of electric and thermal power production, transmission and sale of thermal power, as well as assets in related segments.

Electric power assets of Gazprom Group are consolidated in its fully-owned subsidiary Gazprom Energoholding LLC, which owns

controlling stakes in Mosenergo PJSC, TGC-1 PJSC and unified heat supply company of Moscow MOEK PJSC. The controlling stake of OGK-2 JSC belongs to Centrenergoholding PJSC, a subsidiary of Gazprom Energoholding LLC.

Mosenergo PJSC, TGC-1 PJSC, OGK-2 JSC and MOEK PJSC are an integral part of the Gazprom Group's business, the disposal of these assets is not under consideration.

Gazprom PJSC considers the priority task of the electric power sector to be the progressive development

of companies, ensuring the stable growth of their financial indicators while maintaining the reliability of energy supply to consumers.

Gazprom PJSC manages the companies in compliance with common corporate standards, recognizes the importance of improving corporate governance of controlled companies and strives to ensure openness and transparency of their operations.

## 3.2 General information on corporate governance at the Company

### CORPORATE GOVERNANCE PRINCIPLES

The corporate governance system of OGK-2 is aimed at increasing the efficiency of the Company's operations, strengthening its goodwill and increasing capitalization. Corporate governance is an important factor in building trusting relations with all interested parties who are equally influenced by the Company and influence it themselves.

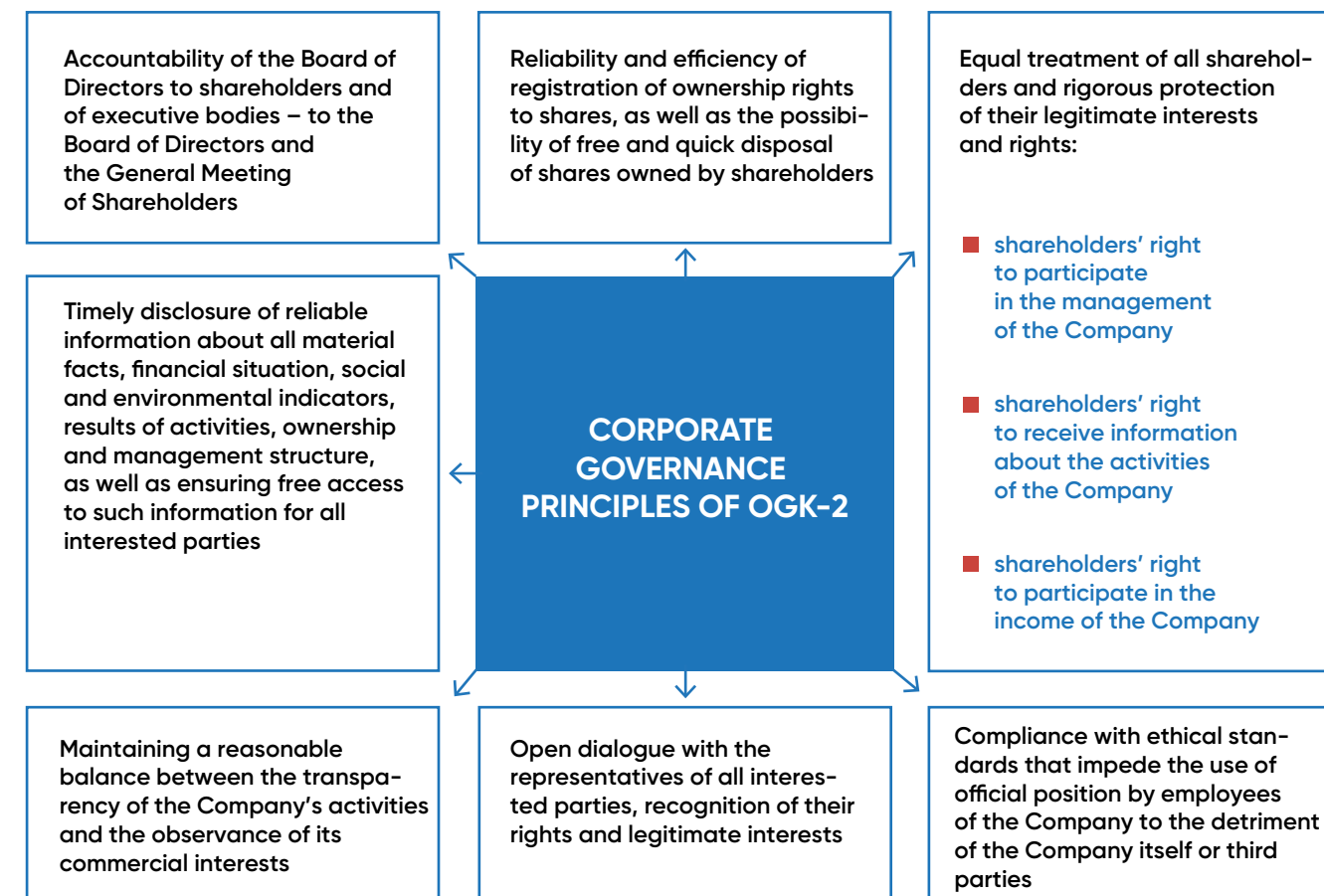
In the area of corporate governance, OGK-2 JSC is guided by the requirements of the Russian law, the Listing Rules of the Moscow Exchange PJSC (hereinafter also referred to as the Listing Rules), the

recommendations of the Corporate Governance Code of the Bank of Russia (hereinafter also referred to as the Corporate Governance Code, the Code), as well as the Company's internal documents defining the standards of corporate governance and focusing on application of best practices in the area of corporate governance and information disclosure.

The fundamental requirements as to ethical corporate conduct are set forth in the Code of Corporate Ethics of OGK-2 JSC. When interacting with external stakeholders, OGK-2 JSC is

guided by the principles of courtesy, correctness and accuracy.

The corporate governance system in place at OGK-2 JSC fully complies with the requirements of the Russian law and the Listing Rules. The management is confident that it provides the shareholders and investors the necessary degree of assurance as to the consistency of the strategy implemented and the decisions made.



### THE SPECIFIC CHARACTER OF THE COMPANY'S CORPORATE GOVERNANCE IS DETERMINED BY THE FOLLOWING MAIN FACTORS:

- ownership structure, namely the presence of one controlling shareholder (Centrenergoholding PJSC, which is a member of Gazprom Group);
- Company development stage is the implementation of the strategy of Gazprom PJSC in the electric power industry for 2018–2027, approved by the Board of Directors of Gazprom PJSC in June 2018. The key strategic goal of Gazprom PJSC in the electric power industry for the period from 2018 to 2027 is ensuring stable profit growth while maintaining a high level of reliability of energy supply to consumers. The strategy, in particular, involves the implementation of projects to create new and renew existing generating facilities, as well as the withdrawal of facilities whose operation is not economically feasible. Special attention is paid to further improving operational efficiency, technological development, and the use of import-substituting equipment;
- listing on the Moscow Exchange in the second-level quotation list.

### STRONG POINTS OF THE CORPORATE GOVERNANCE OF OGK-2:

- including to the competence of the Board of Directors of a wider range of issues than is provided by law;
- disclosure by the Company of a significant scope of further information in addition to that provided by the law;
- application of common standards and approaches to the formation of lists of affiliates, quarterly reports, individual messages on material facts and press releases related to the implementation of corporate events in Gazprom Energoholding LLC Group of Companies.
- compliance of the number of members in the Board of Directors with the scale of the business and good awareness of the Board of Directors about the Company's operations due to the fact that many members have been members of the Board for several years;
- early reporting disclosure terms subject to RAS and IFRS;
- development of corporate governance by introducing the best corporate practices used in the world;

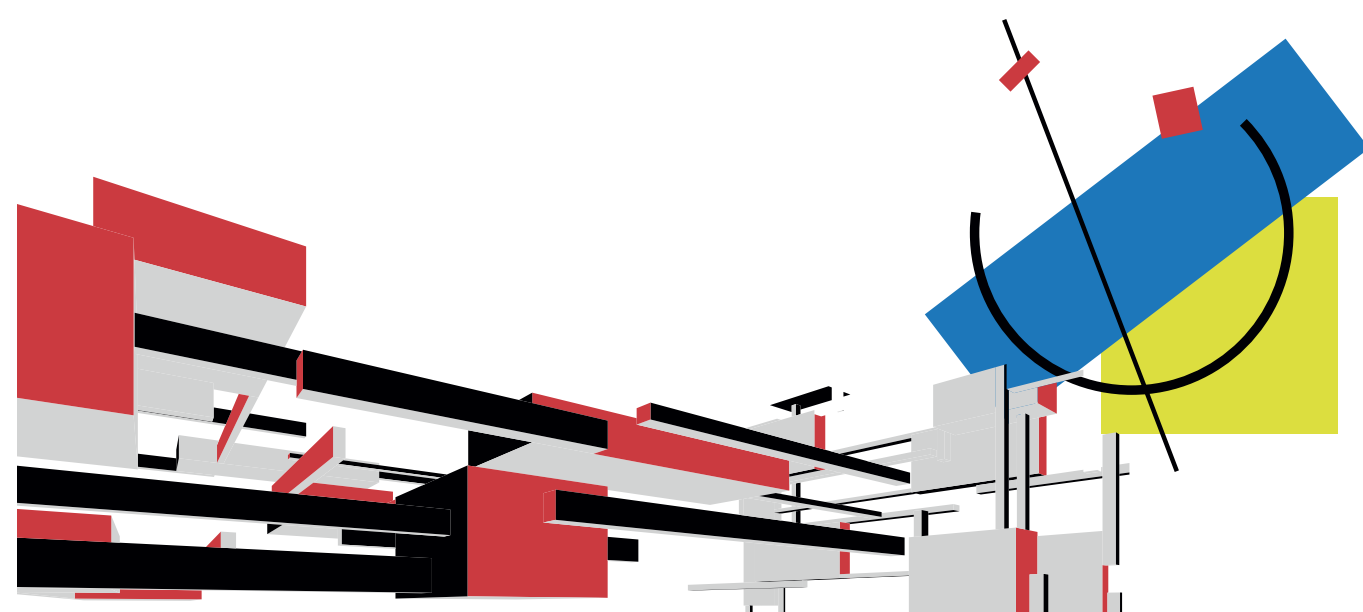
The corporate governance system of OGK-2 is based on the standards of the applicable Russian law<sup>15</sup>,

as well as on the main provisions of the Company's internal corporate documents posted on the official

website: <https://www.ogk2.ru/rus/si/docs/>.

#### THE MAIN DOCUMENTS OF THE COMPANY REGULATING THE CORPORATE GOVERNANCE MATTERS:

- |  |  |   |
|--|--|---|
| • Company Charter  | • Regulation about the procedure for determining the amount of remuneration and compensation to the members of the Board of Directors of OGK-2 JSC | Committee of the Board of Directors of OGK-2 JSC  |
| • Corporate Governance Code of OGK-2 JSC                                       |  | • Regulation about the Corporate Secretary of OGK-2 JSC   |
| • Code of Corporate Ethics of OGK-2 JSC  | • Regulation about the Strategy and Investment Committee of the Board of Directors of OGK-2 JSC  | • Risk Management and Internal Control Policy of OGK-2 JSC  |
| • Regulation about the information policy of OGK-2 JSC                         | • Amendment to the Regulation about the Strategy and Investment Committee of the Board of Directors of OGK-2 JSC:                                  | • Internal Audit Policy of OGK-2 JSC  |
| • Regulation about the procedure of access to insider information of OGK-2 JSC |  | • The Company's documents are available on the official website <a href="https://www.ogk2.ru/">https://www.ogk2.ru/</a> in the section "About the Company". |
| • Regulation about the General Meeting of Shareholders of OGK-2 JSC            | • Regulation about the Audit Committee of the Board of Directors of OGK-2 JSC  |   |
| • Regulation about the Board of Directors of OGK-2 JSC                         | • Regulation about the Reliability Committee of the Board of Directors of OGK-2 JSC  |   |
| • Regulation about the General Director of OGK-2 JSC                           | • Regulation about the Human Resources and Remuneration  |   |



<sup>15</sup> Federal Act No. 208-FZ "About Joint Stock Companies" dated December 26, 1995; Regulation No. 660-P about General Meetings of Shareholders approved by the Bank of Russia on November 16, 2018; Regulation No. 454-P About the disclosure of information by issuers of equity securities approved by the Bank of Russia on December 30, 2014; Letter of the Central Bank of the Russian Federation No. 06-52/2463 About the Corporate Governance Code dated April 10, 2014.

#### OGK-2 CORPORATE GOVERNANCE IMPROVEMENTS IN 2020 AND PLANS FOR 2021

In 2020, works continued to improve the automated system, which had been created to prepare information about the companies of Gazprom Energoholding Group (including changes in the membership structure, name and location of the companies, composition of management bodies of the companies, ownership of shares in the Gazprom Group companies by members of the Boards of Directors, Management Boards, and Sole Executive Bodies; the automated system is being further developed to automate the procedures for convening and holding meetings of the Board of Directors and Committees under the Board of Directors).

The use of this automated system in the work of employees of the Directorate of Corporate and Property Relations of OGK-2 JSC ensures the optimization of processes related to the preparation of a number of documents provided by the law. These documents include the lists of affiliates and groups of individuals. Also, work in this program eliminates the risks of a conflict of interest when entering in contract relations with contractors.

In the reporting period, the companies of Gazprom Energoholding Group continued to actively cooperate with the Central Bank of the Russian Federation on conducting a number of consultations regarding raising the level of corporate governance in the companies of the Group, as well as on standard-setting activities.

In order to improve corporate governance, OGK-2 strives to improve compliance with the principles and recommendations set forth in the Corporate Governance Code of the Central Bank of the Russian Federation within the scope of implementation of Letter of the Bank of Russia No. 06-52/2463 "About the Corporate Governance Code" dated April 10, 2014; thus, the Annual General Meeting of Shareholders of OGK-2 JSC held on June 24, 2020 (Minutes No. 14 dated June 29, 2020) approved the Charter of OGK-2 JSC as amended, which provided for adding the following issues to the competence of the Company's Board of Directors: reviewing reports of committees under the Company's Board of Directors;

approving a training and professional development program for members of the Board of Directors; and submitting recommendations to the General Meeting of Shareholders on all agenda items of the General Meeting of Shareholders.

In 2020, the work of the committees under the Company's Board of Directors was strengthened. The overall number of meetings held increased by 92% compared to 2019, and by 42% in terms of preliminary work on a broader range of issues. Moreover, the Board of Directors of OGK-2 JSC approved new regulations about the Audit Committee of the Board of Directors in order to improve the level of support rendered to ensure the effectiveness of the Company's Board of Directors work.

In 2020, the Human Resources and Remuneration Committee assessed all candidates nominated to the Board of Directors for their compliance with the criteria established by the Regulations about the Board of Directors of OGK-2 JSC, as well as with the independence criteria defined by the securities market regulator and Moscow Exchange PJSC, and it subsequently provided recommendation to the General Meeting of Shareholders of OGK-2 JSC in respect of voting for candidates to be elected to the Company's Board of Directors.

Furthermore, to update the information included to the shareholder register, the Company carried out the following activities on interaction with the shareholders in the reporting period:

- under a fee-based service agreement entered into between OGK-2 JSC and DRAGA JSC on June 29, 2018, the information was updated in the Shareholder Register;
- together with a newsletter on convening an Annual General Meeting of Shareholders, all shareholders were informed in writing of the need to update their details of the Company's shares owners;
- information on the need to

update data is constantly published in printed media and on the Company's and the Registrar's web-sites in For Shareholders Section.

As part of the implementation of Resolution No. 31 of the Management Board of Gazprom PJSC dated June 04, 2019, OGK-2 JSC monitored all the investment facilities in order to identify those that do not carry out financial and economic operations or perform duplicate and/or non-core functions.

Thus, in 2020, the Board of Directors of OGK-2 JSC reviewed and made the following decisions as to corporate governance.

Subject to the sale and purchase agreement made by and between OGK-2 JSC and Gazprom Energoholding LLC dated November 16, 2020, the property complex of Adlerskaya TPP was transferred to the balance sheet of OGK-2 JSC, an operating company.

In order to optimize the asset (CCGT-420) management structure and exclude the subsidiary, which demonstrated unprofitable operations, from the group of OGK-2 JSC, the Board of Directors of OGK-2 JSC decided to take measures to transfer the CCGT-420 Unit into the ownership of OGK-2 JSC under a sale and purchase agreement for non-residential immovable and movable property, and to subsequently liquidate OGK-Investproekt LLC.

Taking into account the regional market conditions and the fact that Chaika LLC meets the criteria for non-competitiveness, including due to significant physical wear and moral depreciation of the fixed assets, and also that Chaika LLC's functioning is unprofitable for OGK-2 JSC under the current economic conditions, the Board of Directors made a decision to liquidate Chaika LLC (Minutes No. 242 dated July 20, 2020).

In the scope of completing the procedure for transferring Krasnoyarskaya GRES-2 to a new owner by OGK-2 JSC as part of fulfilment of its obligations under the sale and purchase agreement and the plant lease agreement for the period required for the new owner to obtain licenses and permits for



operation of Krasnoyarskaya GRES-2, the Company's Board of Directors decided to liquidate Krasnoyarskaya GRES-2 branch of OGK-2 JSC no later than by March 01, 2021.

Shareholders of NPPZhT LLC decided to voluntarily liquidate NPPZhT LLC due to the termination of its business operations.

On December 20, 2020, the Extraordinary General Meeting of

PLANS FOR 2021
<div><div><div>In 2021, within the working group of Gazprom Energoholding Group, the Company intends to carry out extensive work on the development of methodologies and internal documents aimed at assessing the effectiveness of the Board of Directors. There are plans to complete works in the automated system to make it possible to automatically convene and hold meetings of the Board of Directors and the committees under the Board of Directors.</div><div>To implement the Company's plans to enhance the level of corporate governance in 2021, the Internal Audit Directorate of OGK-2 will assess the functioning of the risk management and internal control system in 2020, and the results of this assessment will be submitted to the Board of Directors of OGK-2 for review. Information on the results of the review by the Board of Directors of the effectiveness of the risk management and internal control system will be made available to the shareholders as part of the Company's Annual Report.</div><div>As part of improving the compliance system in corporate governance of a company within Gazprom Energoholding Group, the Company will continue work on further improvement of the Cropix automated system and it plans to expand its capabilities with the option of holding on-line meetings of the Boards of Directors of the companies within Gazprom Energoholding Group, as well as of generating related documents (notifications, extracts from minutes, minutes) in the automated system.</div></div></div>

ASSESSMENT OF COMPLIANCE WITH THE CORPORATE GOVERNANCE PRINCIPLES

The company annually conducts internal assessments of compliance with the level of corporate governance.

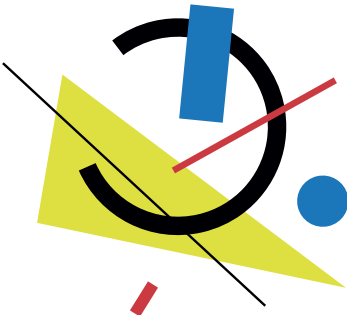
This report represents the results of the assessment of the compliance of the corporate governance level in OGK-2 with the principles of the Corporate Governance Code (approved by the letter of the Bank of Russia in 2014, annex to Letter of the Bank of Russia No. IN-06-52/8 dated February 17, 2016).

The assessment was carried out by the Company independently and subject to the Recommendations for the preparation of a report on compliance with the principles and recommendations of the Corporate Governance Code.

Comparison was made between the recommendations of the Code and the provisions of the current internal corporate documents of OGK-2, as well as the Company's practice in the field of corporate governance. The assessment was carried out subject

to the criteria recommended by the Code. Each principle was assessed by the criterion (status) "observed", "not observed", "partially observed".

The report contains comments on the principles of the Code that are not observed or partially observed in the Company's opinion. A detailed report is attached in Appendix 2.



ASSESSMENT OF COMPLIANCE OF THE CORPORATE GOVERNANCE LEVEL WITH THE CORPORATE GOVERNANCE CODE

Section	Number of principles recommended by the Code	Number of criteria for assessing compliance with the principle	Status of compliance with the criteria					
			2019			2020		
			Complied With	Not Complied With	Partially Complied With	Complied With	Not Complied With	Partially Complied With
I. Rights of shareholders and equality of conditions for shareholders in their rights exercising								
1.1.	6	14	12	-	2	11	1	2
1.2.	4	5	3	1	1	3	1	1
1.3.	2	2	2	-	-	2	-	-
1.4.	1	1	1	-	-	1	-	-
II. Board of Directors of the Company								
2.1.	7	12	10	-	2	10	1	1
2.2.	2	3	2	1	-	2	1	-
2.3.	4	5	-	3	2	2	2	1
2.4.	4	6	4	2	-	4	1	1
2.5.	3	4	2	2	-	2	2	-
2.6.	4	8	3	1	4	3	1	4
2.7.	4	4	2	-	2	2	-	2
2.8.	6	13	4	1	8	4	1	8
2.9.	2	3	-	3	-	-	3	-
III. Corporate Secretary of the Company								
3.1.	2	3	3	-	-	3	-	-
IV. Remuneration system for the members of the Board of Directors, executive bodies and other key executive employees of the Company								
4.1.	4	4	3	1	-	3	-	1
4.2.	3	3	2	-	1	1	1	1
4.3.	3	6	3	3	-	3	3	-
V. Risk management and internal control system								
5.1.	4	5	3	1	1	3	1	1
5.2.	2	3	3	-	-	2	1	-

Section	Number of principles recommended by the Code	Number of criteria for assessing compliance with the principle	Status of compliance with the criteria					
			2019			2020		
			Complied With	Not Complied With	Partially Complied With	Complied With	Not Complied With	Partially Complied With
VI. Disclosure of information about the Company, information policy of the Company								
6.1.	2	5	3	1	1	3	1	1
6.2.	3	7	7	-	-	7	-	-
6.3.	2	3	3	-	-	3	-	-
VII. Major corporate actions								
7.1.	3	5	4	-	1	4	-	1
7.2.	2	4	3	-	1	3	1	-
Total	79	128	82	20	26	81	22	25

Derating of the parameters of compliance with the Corporate Governance Code is due to the

restrictions caused by the pandemic of a new coronavirus infection, which made it impossible to meet a number

of criteria for compliance with the corporate governance principles of OGK-2 JSC.

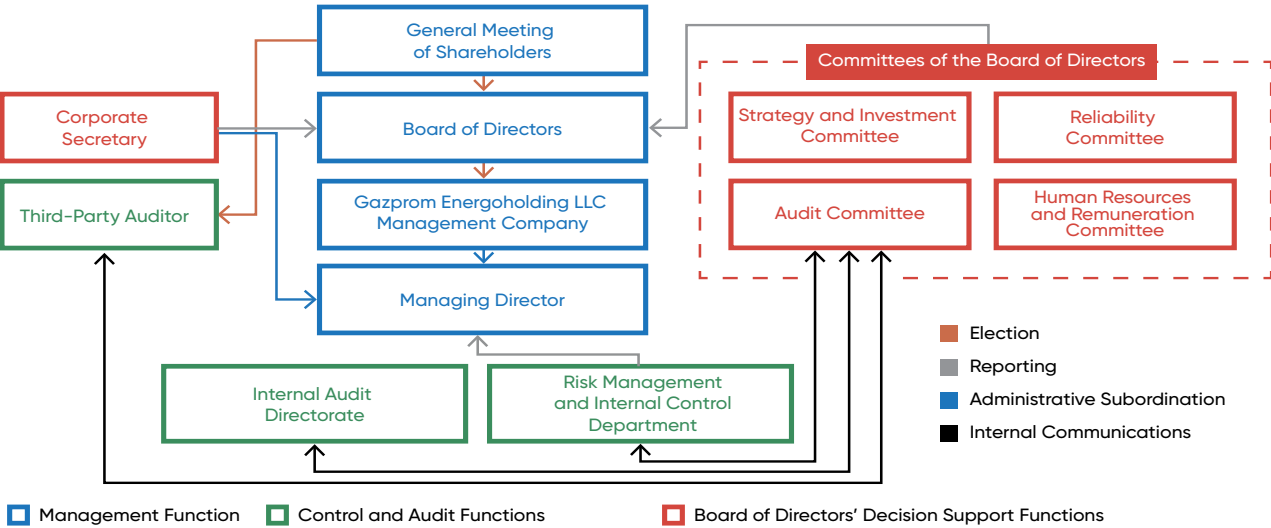
CORPORATE GOVERNANCE STRUCTURE

OGK-2 corporate governance bodies are the General Meeting of Shareholders, the Board of Directors, the chief executive officer represented

by the managing company. The Board of Directors and the chief executive officer of the Company exercise Company management in

strict compliance with the principles of shareholders and investors rights protection, transparency and information openness.

OGK-2 CORPORATE GOVERNANCE STRUCTURE



3.3 General Meeting of Shareholders

General Meeting of Shareholders is the supreme governance body of the Company. It provides shareholders with the opportunity to receive information about the Company's operations, its achievements and

plans, to exercise their right to participate in the management of the Company. The General Meeting of Shareholders makes decisions on the most important issues of the Company's operations within its

competence. The Board of Directors and the chief executive officer of the Company are accountable to the General Meeting of Shareholders.

RIGHTS AND OBLIGATIONS OF THE SHAREHOLDERS OWNING SHARES

Shareholders, owners of the Company's ordinary shares may:

- participate in person or through a representative in the Company's General Meeting of Shareholders with the right to vote on all issues within its competence;
- make suggestions to the agenda of the General Meeting in compliance with the applicable Russian law and this Charter;
- receive information about the Company's operations and become acquainted with the Company's documents subject to Article 91 of Federal Act "About Joint Stock Companies", other regulatory legal acts and this Charter;
- receive dividends declared by the Company;

- have the preemptive right to acquire publicly placed additional shares and equity securities convertible into shares in the amount pro rata the number of ordinary shares they own, in the cases provided by the Russian law;
  - in case of the Company's liquidation, receive some part of its property;
  - exercise other rights provided for by the applicable Russian law and this Charter.
- Shareholders (shareholder) owning together ten or more percent of the Company's authorized capital shall be entitled to demand performing separate audits of the Company's operations by the Company's auditor.

The Company's Shareholders shall:

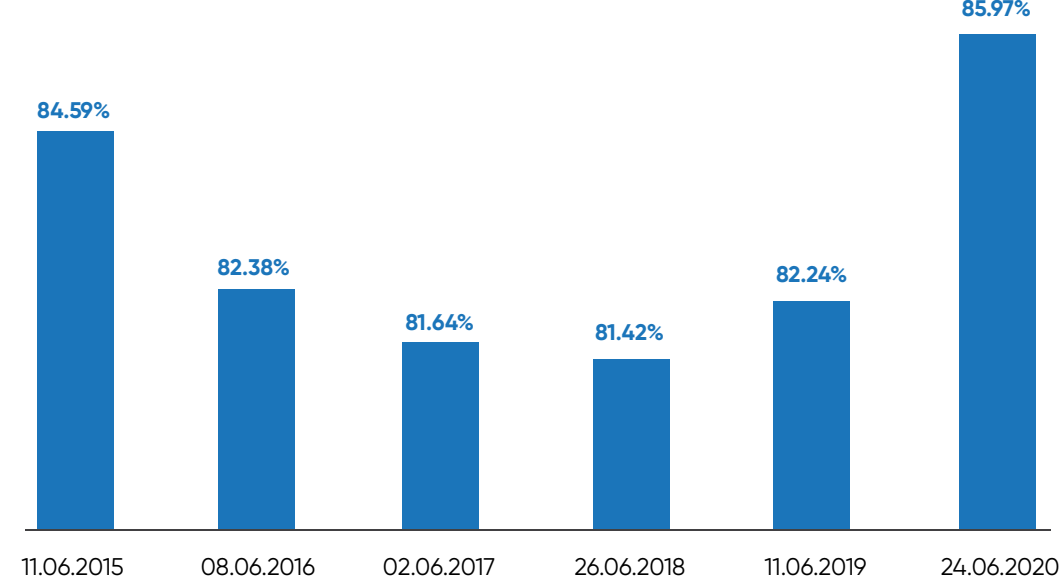
- pay for the equity securities placed by the Company, acquired by it, subject to the procedure, in the amount, form and within the terms fixed herein and the resolution made on such securities placement;
- not disclose any confidential information on the Company's operations;
- fulfill other obligations stipulated by the Russian law, herein, the Company's internal documents, as well as the resolutions of the General Meeting of Shareholders made subject to its competence.

INFORMATION ON THE GENERAL MEETING OF SHAREHOLDERS HELD IN 2020<sup>16</sup>

Minutes Number and Date	Agenda Items
Minutes No. 14 dated June 29, 2020	<ol style="list-style-type: none"> <li>1) On approval of the Company's Annual Report the annual accounting (financial) statements of the Company for 2019.</li> <li>2) On distribution of the profit (including payment (declaration) of dividends) and losses of the Company based on the results of 2019.</li> <li>3) On the members election to the Board of Directors of the Company.</li> <li>4) On approval of the Company's Charter as amended.</li> <li>5) On approval of the internal documents as amended governing the operations of the Company's bodies.</li> <li>6) On the members election to the Audit Commission of the Company.</li> <li>7) On the cancellation of internal documents, including those regulating the operations of the Company's bodies.</li> <li>8) On approval of the Company's auditor.</li> <li>9) On payment of remuneration and compensation to the members of the Board of Directors of the Company.</li> <li>10) On the authorization of interested party transactions.</li> </ol>

<sup>16</sup> All materials of the General Meeting of Shareholders, including decisions, minutes and voting reports, are available on the Company's web-site in Section Materials for General Meetings of Shareholders of OGK-2 JSC at: <https://www.ogk2.ru/rus/si/infodisclosure/material/>.

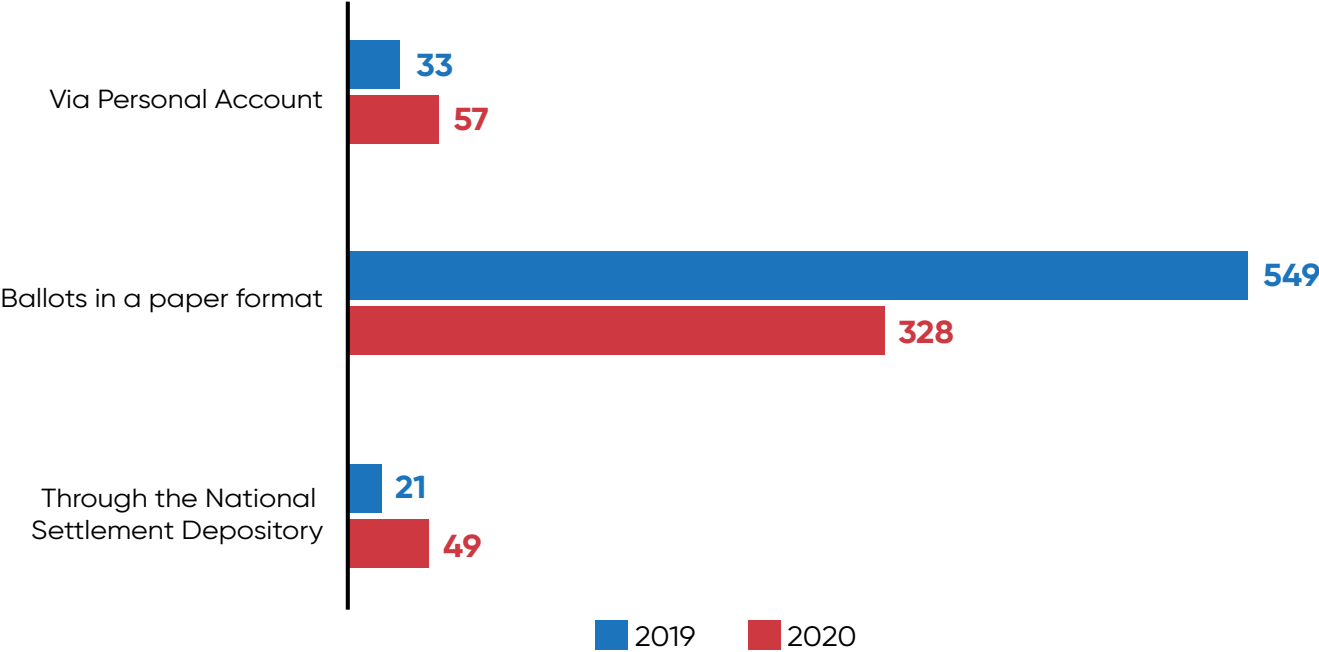
QUORUM OF GENERAL MEETINGS OF SHAREHOLDERS, %



**Total number of persons who participated in the General Meeting of Shareholders (as of June 24, 2020): 434.**

In 2020, the General Meeting of Shareholders of the Company was held with the use of electronic voting technology. This opportunity was available to the shareholders from the time the newsletter on convening the meeting was sent until the discussion of the agenda items concluded at the meeting itself. In 2020, the number of shareholders, who took advantage of this opportunity, increased by 73% as compared to 2019. No Extraordinary General Meetings of Shareholders of the Company were held in 2020.

GROUPING OF SHAREHOLDERS WHO TOOK PART IN THE AGM IN 2019–2020 BY WAY OF PARTICIPATION



**3.4 Board of Directors**

The Board of Directors controls the Company's day-to-day operations, makes decisions on significant issues, controls the implementation of decisions of the General Meeting of Shareholders and ensures the enforcement of the rights and legal interests of the Company subject to the legal requirements. The competence and operating procedures of the Board of Directors are governed by internal documents, namely the Charter and the Regulation about the Board of Directors. The Board of Directors is a collegial body, whose members are elected by the General Meeting of Shareholders for a period up to the next Annual General Meeting of Shareholders. By the decision of the General Meeting of Shareholders, the powers of all members of the Board of Directors may be terminated ahead of schedule. Persons elected to the Board of Directors may be re-elected an unlimited number of times. Candidates to be elected to the Board of Directors may be nominated by shareholders owning at least 2% of the Company's voting shares, as well as by the Board of Directors in case of the lack of candidates nominated by shareholders.

**ASSESSMENT OF THE BOARD OF DIRECTORS OPERATIONS**

Subject to Para. 2.9.2 of the Corporate Governance Code of the Russian Federation, performance of the board of directors, committees and members of the board of directors should be evaluated on a regular basis at least once a year, and it is recommended to engage a third-party company (consultant) from time to time (at least once every three years) to perform independent assessment of the quality of the board of directors work. No quality assessment of the Board of Directors work was performed in 2020, while at the same time the Company is aware of such practice importance and it intends to implement thereof.

**BOARD OF DIRECTORS REPORT ON THE COMPANY'S DEVELOPMENT RESULTS**

In 2020, the Board of Directors of OGC-2 held 20 meetings, including 10 meetings of the Board of Directors, whose members were elected by the resolution of the Annual General Meeting of Shareholders of OGC-2 JSC (Minutes No.13 of June 11, 2019) and 10 meetings of the Board of Directors elected by the resolution of the AGMS (Minutes No.14 of June 29, 2020). No in-person meetings of the Board of Directors of OGC-2 were held in the reporting year.

**PARTICIPATION OF THE BOARD OF DIRECTORS MEMBERS IN THE MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD OF DIRECTORS IN 2020**

Nº	Full name of the member of the Board of Directors	Status of the member of the Board of Directors	Number of meetings of the Board of Directors 20	Audit Committee 8 meetings	Human Resources and Remuneration Committee 5 meetings	Strategy and Investment Committee 6 meetings	Reliability Committee 4 meetings
1.	Denis Vladimirovich Fedorov (Chairman)	executive	20	X	x	x	x
2.	Roman Eduardovich Abdullin	non-executive	20	8	x	x	x
3.	Albert Fyaritovich Bikmurzin	non-executive	20	X	x	x	x
4.	Nikolai Dmitrievich Rogalyov**	independent	10	5	3	4	x

Nº	Full name of the member of the Board of Directors	Status of the member of the Board of Directors	Number of meetings of the Board of Directors 20	Audit Committee 8 meetings	Human Resources and Remuneration Committee 5 meetings	Strategy and Investment Committee 6 meetings	Reliability Committee 4 meetings
5.	Evgeny Nikolaevich Zemlyanoy	non-executive	20	x	x	x	x
6.	Irina Yuryevna Korobkina	non-executive	20	8	5	x	x
7.	Sergey Arturovich Zaitsev**	non-executive	10	x	x	x	4
8.	Valery Gennadievich Pyatnitsev	independent	20	8	5	6	x
9.	Alexander Vladimirovich Rogov	non-executive	20	x	5	6	x
10.	Artyom Viktorovich Semikolenov	executive	20	x	x	x	x
11.	Pavel Olegovich Shatsky	non-executive	20	x	5	6	x
12.	Denis Viktorovich Kulikov*	independent	10	3	2	x	x
13.	Andrey Igorevich Dmitriev*	non-executive	9	x	2	2	x

\* A. I. Dmitriev and D. N. Kulikov were not elected at the Annual General Meeting of Shareholders of OGK-2 JSC on June 24, 2020 (Minutes No. 14 dated June 29, 2020).  
\*\* S. A. Zaitsev and N. D. Rogalyov were first elected at the Annual General Meeting of Shareholders of OGK-2 JSC on June 24, 2020 (Minutes No. 14 dated June 29, 2020).

The Board of Directors of OGK-2 JSC resolved the most important issues related to its day-to-day operations and strategic development of the

Company. A total of 132 issues were considered (including sub-questions).

Distribution of issues considered by the Board of Directors in 2020 by topics (number of issues):

DISTRIBUTION OF ISSUES CONSIDERED BY THE BOARD OF DIRECTORS IN 2020 BY TOPICS (NUMBER OF ISSUES)



The most significant issues of the Company's operations considered at the meetings of the Board of Directors of OGK-2 in 2020 include:

1. determining priority areas of the Company's development;

2. approving and considering the results of the Company's business plans implementation;

3. on liquidation of the branch of OGK-2 JSC, Krasnoyarskaya GRES-2;

4. determining the status of members of the Company's Board of Directors (recognizing the members of the Board of Directors of OGK-2 JSC Mr. N. D. Rogalyov, Mr. V. G. Pyatnitsev independent);

5. terminating the Company's participation in other organizations (Chaika LLC, OGK-Investproekt LLC) through liquidation.

The list of issues falling within the competence of the Board of Directors of OGK-2 is determined by the requirements of Federal Acts, by-laws and the Charter of OGK-2 JSC.

CONTROLS OVER THE INSTRUCTIONS IMPLEMENTATION GIVEN BY THE BOARD OF DIRECTORS

To exercise control over the implementation of the Board of Directors' decisions containing instructions to the Company's management, the Company's Managing Director shall issue an order on arranging the decisions implementation adopted by the Company's Board of Directors, specifying the timelines for the implementation and the persons in charge.

Heads of the Company's structural divisions shall inform the Company's Managing Director of the results of the decisions implementation adopted by the Company's Board of Directors.

The Company's chief executive officer (Managing Company), as well as the Corporate Secretary, at the instruction of the Chairman of the Company's Board of Directors, shall be entitled any time to request from the Company's

Managing Director the information on the results of the decisions implementation adopted by the Board of Directors.

In the scope of the decisions implementation adopted by the Board of Directors of OGK-2 JSC, six orders were issued at the Company in 2020.

INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

In 2020, two directors in each Board of Directors had the status of independent directors, that complies with the requirements of the Listing Rules stipulated by Moscow Exchange PJSC for shares to be maintained in the second quotation list:

On July 08, 2019, the Board of Directors of OGK-2 JSC recognized Mr. D. V. Kulikov\* an independent member of the Board of Directors (Minutes No. 218 dated July 08, 2019);

On July 20, 2020 and on November 09, 2020, the Board of Directors of OGK-2 JSC recognized Mr. N. D. Rogalyov an independent member of the Board of Directors (Minutes No. 242 dated July 20, 2020 and Minutes No. 247 dated November 09, 2020).

On November 09, 2020, the Board of Directors recognized Mr. V. G. Pyatnitsev an independent member of the Board of Directors (Minutes No. 247 dated November 09, 2020).

Mr. D. V. Kulikov, Mr. N. D. Rogalyov and Mr. V. G. Pyatnitsev are persons who have sufficient independence to form their own position and who are able to make unbiased and fair judgements, not in any way affected by the company's executive bodies, certain groups of shareholders or other interested parties, and they also possess a sufficient degree of qualification and experience.

\* Mr. D. N. Kulikov was not elected a member of the Company's Board of Directors at the Annual General Meeting of Shareholders of OGK-2 JSC on June 24, 2020 (Minutes No.14 dated June 29, 2020).

INDEPENDENCE CRITERIA

The independence criteria have been established by the Listing Rules of Moscow Exchange PJSC (Appendix No. 4 to the Listing Rules). To monitor the whether members of the Board of Directors comply with the independence criteria, the Human Resources and Remuneration Committee under the Company's Board of Directors makes the analysis of such compliance on a quarterly basis. If a change is identified in the independence status of any member of the Board of Directors, the matter shall

be brought to the consideration of the Board of Directors.

During 2020, as part of the issue "On providing recommendations to the shareholders of OGK-2 JSC regarding voting on the issue of candidates election to the Board of Directors of OGK-2 JSC", the Human Resources and Remuneration Committee considered the issue of availability of affiliation criteria for each nominated candidate. On October 26, 2020, the Human Resources and Remuneration

Committee of OGK-2 also considered the issue of determining the status of Mr. V. G. Pyatnitsev and Mr. N. D. Rogalyov and submitted its recommendations to the Board of Directors of OGK-2 JSC.

The full text of the recognition of directors as independent is available at the Company's web-site at: <https://www.ogk2.ru/rus/about/government/directors/> in the sections dedicated to V. G. Pyatnitsev and N. D. Rogalyov.



MEMBERS OF THE BOARD OF DIRECTORS OF OGK-2 AS FOR DECEMBER 31, 2020



DENIS VLADIMIROVICH FEDOROV,  
CHAIRMAN OF THE BOARD OF DIRECTORS

1978

Education, qualification

Higher, graduated from the N. E. Bauman MSTU, in the specialty of Managing Economist, and completed full-time postgraduate study at Moscow Power Engineering Institute (Technical University), Ph.D. in Economics in 2 specialties: economics and industrial thermal power engineering

Place of work, current position

Head of the Directorate of Gazprom PJSC  
General Director of Gazprom Energoholding LLC  
General Director of Centrenergoholding PJSC

Information on participation in the work of the committees of the Board of Directors of OGK-2

Does not participate in the work of committees of the Board of Directors

Membership in other companies boards of directors

Chairman of the Boards of Directors of Gazprom Energosbyt Tyumen JSC, MOEK PJSC, GEH Engineering LLC, TM PJSC, Gazenergoservis JSC  
Member of the Boards of Directors of Mosenergo PJSC, TGC-1 PJSC, Inter RAO PJSC, Centrenergoholding PJSC, Svobodnenskaya TPP LLC, REP Holding JSC  
Member of the Board of Trustees of NRU MPEI, FSBEI of HE  
from 2015 till present: Head of the Directorate of Gazprom PJSC (until 2015 – Gazprom OJSC)  
from 2015 till present: General Director of Gazprom Energoholding LLC  
from 2015 till present: General Director, member of the Board of Directors of Centrenergoholding PJSC (until 2015 – Centrenergoholding OJSC)  
from 2015 till present: Member of the Board of Directors of Mosenergo PJSC (until 2015 – Mosenergo OJSC)  
from 2015 till present: Member of the Board of Directors of TGC-1 PJSC (until 2016 – TGC-1 OJSC)  
from 2015 till present: Chairman of the Board of Directors of OGK-2 JSC (until 2015 – OGK-2 OJSC)  
from 2015 till present: Chairman of the Board of Directors of Gazprom Energosbyt Tyumen JSC (until 2018 – Tyumen Energy Retail Company JSC)  
from 2015 till 2018: Member of the Supervisory Board, Chairman of the Supervisory Board of the Council of Energy Producers NPO  
from 2015 till present: Chairman of the Board of Directors, Member of the Board of Directors of MOEK PJSC (until 2015 – MOEK OJSC)  
from 2015 till present: Member of the Board of Directors of Inter RAO PJSC (until 2015 – Inter RAO OJSC)  
from 2015 till 2017: Member of the Board of Directors of Teplosbyt LLC  
from 2015 till 2017: Member of the Supervisory Board of CIET NPO  
from 2015 till 2015: Member of the Board of Directors of FGC UES PJSC (until 2015 – FGC UES OJSC)  
from 2015 till 2015: Member of the Board of Directors of Gazprom Armenia CJSC  
from 2015 till 2015: Chairman of the Board of Directors of Gazprom Energoremont JSC (until 2015 – IDGC CJSC)  
from 2015 till present: Chairman of the Board of Directors of GEH Engineering LLC (INN 7729722060, until 2015 – Centrenergoinvest LLC)  
from 2015 till 2016: Member of the Board of Directors of Situatsionny Tsentr GEH LLC (INN 7729462119, until 2016 – GEH Engineering LLC)  
from 2016 till 2019: Member of the Council of Moscow Chamber of Commerce and Industry Union  
from 2017 till 2017: General Director of ATEs LLC  
from 2017 till present: Member of the Board of Directors of Svobodnenskaya TPP LLC (until 2019 – Amurskaya TPP LLC)  
from 2019 till present: Member of the Board of Trustees of NRU MPEI, FSBEI of HE  
from 2020 till present: Member of the Board of Directors of REP Holding JSC  
from 2020 till present: Chairman of the Board of Directors of TM PJSC  
from 2020 till present: Chairman of the Board of Directors of Gazenergoservis JSC

Ownership (direct or indirect) of company shares

Ordinary shares stock of OGK-2 JSC owned by the person, %: 0.097

Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)

No



ROMAN EDUARDOVICH ABDULLIN

1975

Education, qualification

Higher, graduated from the Gubkin Russian State University of Oil and Gas

Place of work, current position

Deputy Head of the Department of Gazprom PJSC

Information on participation in the work of the committees of the Board of Directors of OGK-2

Member of the Audit Committee of the Board of Directors

Membership in other companies boards of directors

Member of the Board of Directors of Gazprom Energoremont JSC, MOEK PJSC, member of the Supervisory Board of Gazprom Transgaz Belarus OJSC, Gazprom Armenia CJSC

Positions, including in other companies, held over the previous 5 years

from 2015 till 2015: Head of the Administration of Gazprom OJSC Department  
from 2015 till present: Deputy Head of the Department of Gazprom PJSC (until 2015 – Gazprom OJSC)  
from 2016 till present: Member of the Board of Directors of Gazprom Energoremont JSC  
from 2016 till 2019: Member of the Board of Directors of Gazprom Gas-Engine Fuel LLC  
from 2016 till present: Member of the Board of Directors of OGK-2 JSC  
from 2017 till present: Member of the Board of Directors of MOEK PJSC  
from 2019 till present: Member of the Supervisory Board of Gazprom Transgaz Belarus OJSC  
from 2019 till present: Member of the Board of Directors of Gazprom Armenia CJSC

Ownership (direct or indirect) of company shares

Ordinary shares stock of OGK-2 JSC owned by the person, %: 0.015

Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)

No





ALBERT FYARITOVICH BIKMURZIN

1977

Education, qualification

Higher, graduated from the Moscow University of Consumer Cooperation, the qualification of a lawyer with a degree in Legal Studies

NSPEI of HE Economics and Energy Institute, the qualification of a managing economist

Place of work, current position

Deputy General Director for Legal and Property Affairs at Gazprom Energoholding LLC, General Director of MOEK-Finance LLC, General Director of MTER Holding LLC

Information on participation in the work of the committees of the Board of Directors of OGK-2

Does not participate in the work of committees of the Board of Directors

Membership in other companies boards of directors

Chairman of the Board of Directors of GEH Avtotrans LLC

Member of the Boards of Directors of MOEK PJSC, TER LLC, TEK Inform LLC, IDGC LLC, GEH Engineering LLC, Centrenergoholding PJSC, Gazprom Energoremont JSC

Member of the Corporate Affairs Committee of the Russian Union of Industrialists and Entrepreneurs, All-Russian Association of Employers, member of the Committee of Shares Issuers of Moscow Exchange PJSC

Positions, including in other companies, held over the previous 5 years

from 2015 till 2018: Lecturer of the Department of Energy Law (part-time) of Kutafin Moscow State Law University (MSAL)  
from 2015 till present: Deputy Director for Corporate Legal Affairs – Head of the Directorate of Corporate Affairs; Director for Corporate and Property Affairs; Deputy General Director for Legal and Property Affairs at Gazprom Energoholding LLC  
from 2015 till 2018: General Director of Spectrum JSC (until 2017 – Spectrum CJSC)  
from 2015 till 2016: Member of the Board of Directors of MOEK PJSC (until 2015 – MOEK OJSC)  
from 2015 till 2018: Member of the Board of Directors of TECON-Engineering JSC (OGRN 1037722013120)  
from 2015 till 2019: Member of the Board of Directors of MTER Sankt-Peterburg LLC  
from 2015 till present: General Director of MOEK-Finance LLC  
from 2016 till 2018: Member of the Board of Directors of St. Petersburg Heating Grid LLC  
from 2016 till present: Chairman of the Board of Directors, member of the Board of Directors of GEH Avtotrans LLC (until 2020 – Spetsavtotrans LLC)  
from 2016 till present: Member of the Board of Directors of MOEK PJSC  
from 2016 till 2019: General Director of Shtokman IDGC LLC  
from 2016 till present: Member of the Board of Directors of TER LLC  
from 2016 till present: General Director of MTER Holding LLC  
from 2016 till present: Member of the Board of Directors of TEK Inform LLC (until 2019 – ANT-Service LLC)  
from 2017 till 2018: Member of the Board of Directors of MTER PJSC  
from 2017 till 2018: Member of the Board of Directors of St. Petersburg Heating Grid JSC  
from 2017 till 2018: Member of the Board of Directors of TECON-Engineering JSC (OGRN 1047796891185)  
from 2017 till 2018: Member of the Supervisory Board of Angrensor Trading LLP  
from 2018 till present: Member of the Board of Directors of IDGC LLC  
from 2018 till present: Member of the Board of Directors of GEH Engineering LLC (INN 7729722060)  
from 2018 till present: Member of the Board of Directors of OGK-2 JSC  
from 2018 till present: Member of the Board of Directors of Centrenergoholding PJSC  
from 2018 till present: Member of the Board of Directors of Gazprom Energoremont JSC  
from 2019 till present: Member of the Corporate Affairs Committee of the Russian Union of Industrialists and Entrepreneurs, All-Russian Association of Employers  
from 2019 till present: Member of the Committee of Shares Issuers of Moscow Exchange PJSC

Ownership (direct or indirect) of company shares

Ordinary shares stock of OGK-2 JSC owned by the person, %: 0.006

Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)

No



EVGENY NIKOLAEVICH ZEMLYANOV

1985

Education, qualification

Higher, graduated from the G. V. Plekhanov Russian University of Economics.

Place of work, current position

Deputy General Director for Economics and Finance of Gazprom Energoholding LLC, General Director of GEH Finance LLC

Information on participation in the work of the committees of the Board of Directors of OGK-2

Does not participate in the work of committees of the Boards of Directors

Membership in other companies boards of directors

Chairman of the Board of Directors of IDGC LLC

Member of the Boards of Directors of MOEK PJSC, Centrenergoholding PJSC, Gazprom Energoremont JSC, GEH Engineering LLC, TM PJSC

Positions, including in other companies, held over the previous 5 years

from 2015 till 2016: Member of the Audit Commission of Mosenergo PJSC (until 2015 – Mosenergo OJSC)  
from 2015 till 2016: Member of the Board of Directors of TSK Mosenergo LLC  
from 2015 till present: Member of the Board of Directors of Centrenergoholding PJSC (until 2015 – Centrenergoholding OJSC)  
from 2015 till present: Member of the Board of Directors, Chairman of the Board of Directors of IDGC LLC  
from 2015 till present: Member of the Board of Directors of MOEK PJSC (until 2015 – MOEK OJSC)  
from 2015 till 2017: Member of the Board of Directors of Promkontroller PC CJCS  
from 2015 till 2018: Member of the Board of Directors of NSPGU LLC  
from 2015 till present: Deputy General Director for Economics and Finance of Gazprom Energoholding LLC  
from 2015 till present: Member of the Board of Directors of Gazprom Energoremont JSC (until 2015 – IDGC CJSC)  
from 2015 till 2016: Member of the Board of Directors of Situatsionny Tsentr GEH LLC (INN 7729462119, until 2016 – GEH Engineering LLC)  
from 2015 till 2016: Deputy General Director for Economics and Finance, member of the Management Board of OGK-2 JSC (until 2015 – OGK-2 OJSC)  
from 2015 till present: Member of the Board of Directors of GEH Engineering LLC (INN 7729722060, until 2015 – Centrenergoinvest LLC)  
from 2016 till present: Member of the Board of Directors of OGK-2 JSC  
from 2017 till present: General Director of GEH Finance LLC  
from 2020 till present: Member of the Board of Directors of TM PJSC

Ownership (direct or indirect) of company shares

Ordinary shares stock of OGK-2 JSC owned by the person, %: 0.006

Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)

No



NIKOLAI DMITRIEVICH ROGALYOV

1962

Education, qualification

Graduated from Moscow Power Engineering Institute, with a degree in Thermal Power Plants

Place of work, current position

Vice-Chancellor (from October 2018 to December 2018 – Acting Vice-Chancellor), Head of the Department, Professor (part-time) at NRU MPEI, FSBEI of HE, President of Scientific and Technical Council of the Unified Energy System, Non-Profit Partnership

Information on participation in the work of the committees of the Board of Directors of OGK-2

Member of the Audit Committee of the Board of Directors, member of the Strategy and Investment Committee of the Board of Directors, member of the Human Resources and Remuneration Committee of the Board of Directors

Membership in other companies boards of directors

Member of the Boards of Directors of Rosseti PJSC and RusHydro PJSC, member of the Board of Trustees of “Energy Without Borders” Foundation  
Member of the Presidium of the RNC WEC Association

Positions, including in other companies, held over the previous 5 years

from 2015 till present: Vice-Chancellor (from October 2018 to December 2018 – Acting Vice-Chancellor), member of the Board of Trustees of NRU MPEI, FSBEI of HE  
from 2015 till 2015: Member of the Board of Directors of Engineering Center Gas Turbine Technologies LLC  
from 2015 till present: Member of the Presidium of the RNC WEC Association  
from 2015 till present: Head of the Department, Professor (part-time) at NRU MPEI, FSBEI of HE  
from 2015 till 2016: Independent Director of Inter RAO PJSC  
from 2015 till 2017: Chairman of the Supervisory Board of “Energy Without Borders” Foundation  
from 2015 till present: Member of the Board of Trustees of “Energy Without Borders” Foundation  
from 2016 till present: President of Scientific and Technical Council of the Unified Energy System, Non-Profit Partnership  
from 2016 till present: Member of the Board of Directors of Rosseti PJSC  
from 2016 till present: Member of the Board of Directors of RusHydro PJSC  
from 2020 till present: Member of the Board of Directors of OGK-2 JSC

Ownership (direct or indirect) of company shares

Has no shares in OGK-2 JSC

Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)

No



IRINA YURIEVNA KOROBKINA

1976

Education, qualification

Higher, graduated from Kutafin Moscow State Law Academy;  
the State University of Management

Place of work, current position

Deputy Head of the Directorate of Gazprom PJSC, Deputy General Director of Centrenergoholding PJSC

Information on participation in the work of the committees of the Board of Directors of OGK-2

Member of the Audit Committee of the Board of Directors, member of the Human Resources and Remuneration Committee

Membership in other companies boards of directors

Chairman of the Boards of Directors of Centrenergoholding PJSC, Gazprom Energoremont JSC  
Member of the Boards of Directors of MRES LLC, PPTK LLC, TekonGroup JSC, MOEK PJSC, GEH Engineering LLC, GEH Teplostroiproekt JSC (until 2016 – MOEK-Proekt OJSC, until 2020 – MOEK-Project JSC), GEH Gas Turbine Service LLC (until 2020 – TER-Service LLC), TER LLC, Tek-Inform LLC, Svobodnenskaya TPP LLC, Gazprom Energoholding Serbia Ltd

Positions, including in other companies, held over the previous 5 years

from 2015 till present: Deputy Head of the Department, Head of the Department, Deputy Head of the Directorate of Gazprom PJSC (until 2015 – Gazprom OJSC)  
from 2015 till present: Member of the Board of Directors, Chairman of the Board of Directors of Centrenergoholding PJSC (until 2015 – Centrenergoholding OJSC)  
from 2015 till 2017: Corporate Secretary of Centrenergoholding PJSC (until 2015 – Centrenergoholding OJSC)  
from 2015 till 2015: Member of the Board of Directors of MTER PJSC (until 2014 – MTER OJSC)  
from 2015 till present: Member of the Board of Directors of IDGC LLC  
from 2015 till present: Member of the Board of Directors of OGK-2 JSC (until 2015 – OGK-2 OJSC)  
from 2015 till present: Member of the Board of Directors of PPTK LLC  
from 2015 till 2019: Member of the Board of Directors of Shtokman IDGC LLC  
from 2015 till present: Member of the Board of Directors of MOEK PJSC (until 2015 – MOEK OJSC)  
from 2015 till present: Member of the Board of Directors of TeconGroup JSC (until 2019 – TeconGroup CJSC)  
from 2015 till 2016: Member of the Board of Directors of Mosenergo PJSC  
from 2015 till 2016: Member of the Board of Directors of Situatsionny Tsentr GEH LLC (INN 7729462119, until 2016 – GEH Engineering LLC)  
from 2015 till 2018: Member of the Board of Directors of Gazprom Energoholding Serbia Ltd. (until 2019 – Serbian Generation Ltd. Novi Sad)  
from 2015 till present: Chairman of the Board of Directors of Gazprom Energoremont JSC (until 2015 – IDGC CJSC)  
from 2015 till present: Member of the Board of Directors of GEH Engineering LLC (INN 7729722060, until 2015 – Centrenergoinvest LLC)  
from 2016 till present: Member of the Board of Directors of GEH Gas Turbine Service LLC (until 2020 – TER-Service LLC)  
from 2016 till present: Member of the Board of Directors of GEH Teplostroiproekt JSC (until 2016 – MOEK-Proekt OJSC, until 2020 – MOEK-Proekt JSC)  
from 2016 till 2016: Member of the Board of Directors of TGK-Servis LLC  
from 2016 till 2016: Member of the Board of Directors of ANT-Servis LLC  
from 2016 till 2017: Member of the Board of Directors of TER-Moskva LLC  
from 2016 till 2018: Member of the Board of Directors of TGC-1 PJSC (until 2016 – TGC-1 OJSC)  
from 2016 till 2018: Member of the Board of Directors of MTER PJSC  
from 2017 till present: Member of the Board of Directors of TER LLC  
from 2017 till present: Deputy General Director of Centrenergoholding PJSC  
from 2018 till present: Member of the Board of Directors of TEK Inform LLC (until 2019 – ANT-Servis LLC)  
from 2019 till 2019: Member of the Board of Directors of TGC-1 PJSC  
from 2020 till present: Member of the Board of Directors of Gazprom Energoholding Serbia Ltd.  
from 2020 till present: Member of the Board of Directors of Svobodnenskaya TPP LLC

Ownership (direct or indirect) of company shares

Ordinary shares stock of OGK-2 JSC owned by the person, %: 0.019

Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)

No



ALEXANDER VLADIMIROVICH ROGOV

1981

Education, qualification

Higher, graduated from Lomonosov Moscow State University. Candidate of Sciences (Physics and Mathematics)

Place of work, current position

Deputy Head of the Directorate – Head of the Department of Gazprom PJSC, General Director of GEH Industrialniye Aktivy LLC

Information on participation in the work of the committees of the Board of Directors of OGK-2

Member of the Strategy and Investment Committee of the Board of Directors, member of the Human Resources and Remuneration Committee of the Board of Directors

Membership in other companies boards of directors

Chairman of the Boards of Directors of TeconGroup JSC, SITs Teploizolyatsiya LLC, Gazprom Energoholding Serbia Ltd.

Member of the Boards of Directors of Centrenergoholding PJSC, TEKON-Engineering JSC (INN – 7722284869), PPTK LLC, MOEK PJSC, TEK-Inform LLC, GEH Teplostroiproekt JSC (until 2016 – MOEK-Proekt OJSC, until 2020 – MOEK-Proekt JSC), GEH Control Systems LLC (until 2020 – TSK Metrology LLC), TEKON-Engineering JSC (INN – 7722531204), REP Holding JSC, Svobodnenskaya TPP LLC

Positions, including in other companies, held over the previous 5 years

from 2015 till 2015: Member of the Board of Directors of Mezhtregionenergostroy CJSC  
from 2015 till 2017: Chairman of the Board of Directors of Promkontroller PC CJCS  
from 2015 till present: Deputy Head of the Directorate – Head of the Department of Gazprom PJSC (until 2015 – Gazprom OJSC)  
from 2015 till present: Member of the Board of Directors of PPTK LLC  
from 2015 till present: Chairman of the Board of Directors of TeconGroup JSC (until 2019 – TeconGroup CJSC)  
from 2015 till 2020: Member of the Board of Directors of MOEK PJSC (until 2015 – MOEK OJSC)  
from 2015 till present: Chairman of the Board of Directors of SITs Teploizolyatsiya LLC  
from 2015 till present: Member of the Board of Directors of OGK-2 JSC (until 2015 – OGK-2 OJSC)  
from 2015 till present: Member of the Board of Directors of TECON-Engineering JSC (INN 7722284869)  
from 2015 till present: Member of the Board of Directors of Centrenergoholding PJSC (until 2015 – Centrenergoholding OJSC)  
from 2015 till 2018: Member of the Board of Directors, Chairman of the Board of Directors of MTER PJSC (until 2014 – MTER OJSC)  
from 2015 till 2020: Chairman of the Board of Directors of Astrakhanskaya TPP LLC  
from 2015 till 2016: Member of the Board of Directors of Situatsionny Tsentr GEH LLC (INN 7729462119, until 2016 – GEH Engineering LLC)  
from 2015 till 2020: Deputy Managing Director – Strategy Director of MOEK PJSC (until 2015 – MOEK OJSC)  
from 2015 till present: Member of the Board of Directors of TEK Inform LLC (until 2019 – ANT-Servis LLC)  
from 2015 till present: Member of the Board of Directors of Gazprom Energoholding Serbia Ltd. (until 2019 – Serbian Generation Ltd. Novi Sad)  
from 2015 till present: Member of the Board of Directors of GEH Teplostroiproekt JSC (until 2016 – MOEK-Proekt OJSC, until 2020 – MOEK-Proekt JSC)  
from 2016 till present: Member of the Board of Directors of GEH Control Systems LLC (until 2020 – TSK Metrology LLC),  
from 2016 till 2020: Member of the Board of Directors of TSK Mosenergo LLC  
from 2017 till present: Member of the Board of Directors of TECON-Engineering JSC (INN 7722531204)  
from 2020 till present: General Director of GEH Industrialniye Aktivy LLC  
from 2020 till present: Member of the Board of Directors of REP Holding JSC  
from 2020 till present: Member of the Board of Directors of Svobodnenskaya TPP LLC

Ownership (direct or indirect) of company shares

Ordinary shares stock of OGK-2 JSC owned by the person, %: 0.02

Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)

No



ARTYOM VIKTOROVICH SEMIKOLENOV

1978

Education, qualification

Higher, graduated from Samara Humanitarian Academy with a degree in Legal Studies and the Russian Presidential Academy of Public Administration with a degree in the State and Municipal Management

Place of work, current position

Managing Director of OGK-2 JSC

Information on participation in the work of the committees of the Board of Directors of OGK-2

Does not participate in the work of committees of the Board of Directors

Membership in other companies boards of directors

-

Positions, including in other companies, held over the previous 5 years

from 2015 till 2018: General Director of Gazprom Energo LLC  
from 2018 till present: Managing Director of OGK-2 JSC  
from 2019 till present: Member of the Board of Directors of OGK-2 JSC  
from 2019 till 2020: General Director of OGK-Investproekt LLC

Ownership (direct or indirect) of company shares

Has no shares in OGK-2 JSC

Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)

No





PAVEL OLEGOVICH SHATSKY

1972

Education, qualification	Higher, graduated from Russian State Agrarian Extramural University and the State University of Management
Place of work, current position	First Deputy General Director of Gazprom Energoholding LLC
Information on participation in the work of the committees of the Board of Directors of OGK-2	Chairman of the Human Resources and Remuneration Committee of the Board of Directors
Membership in other companies boards of directors	Chairman of the Boards of Directors of Situatsionny Tsentr GEH LLC, Svobodnenskaya TPP LLC, Spetsavtotrans LLC.  Member of the Board of Directors of Centrenergoholding PJSC, TGC-1 PJSC, MOEK PJSC, Gazprom Energoremont JSC, Mosenergo PJSC
Positions, including in other companies, held over the previous 5 years	from 2015 till present: First Deputy General Director of Gazprom Energoholding LLC from 2015 till 2015: Chairman of the Board of Directors of Mezhtregion-Energostroy CJSC from 2015 till 2017: Member of the Board of Directors of Teplosbyt LLC from 2015 till 2019: Chairman of the Board of Directors of Shtokman IDGC LLC from 2015 till present: Member of the Board of Directors of Centrenergoholding PJSC (until 2015 – Centrenergoholding OJSC) from 2015 till present: Member of the Board of Directors of MOEK PJSC (until 2015 – MOEK OJSC) from 2015 till present: Member of the Board of Directors of OGK-2 JSC (until 2015 – OGK-2 OJSC) from 2015 till present: Member of the Board of Directors of Gazprom Energoremont JSC (until 2015 – IDGC CJSC) from 2015 till 2016: Member of the Board of Directors of GEH Engineering LLC (INN 7729722060, until 2015 – Centrenergoinvest LLC) from 2015 till present: Member of the Board of Directors, Chairman of the Board of Directors of Situatsionny Tsentr GEH LLC (INN 7729462119, until 2016 – GEH Engineering LLC) from 2015 till 2019: Member of the Board of Directors of Mosenergo PJSC from 2016 till present: Member of the Board of Directors of TGC-1 PJSC (until 2016 – TGC-1 OJSC) from 2017 till present: Chairman of the Board of Directors of Svobodnenskaya TPP LLC (until 2019 – Amurskaya TPP LLC) from 2017 till present: Chairman of the Board of Directors of GEH Avtotrans LLC (until 2020 – Spetsavtotrans LLC) from 2018 till 2020: Member of the Supervisory Board of the Council of Power Producers Association from 2020 till present: Member of the Board of Directors of Mosenergo PJSC
Ownership (direct or indirect) of company shares	Has no shares in OGK-2 JSC
Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)	No



VALERY GENNADIEVICH PYATNITSEV

1976

Education, qualification	Higher, graduated from Moscow State Mining University in the specialty of the Managing Economist
Place of work, current position	Strategy Director of FINAM JSC, Head of the Committee for the Election of Directors to Joint-Stock Companies of the Association of Independent Directors
Information on participation in the work of the committees of the Board of Directors of OGK-2	Member of the Strategy and Investment Committee of the Board of Directors, Chairman of the Audit Committee of the Board of Directors, member of the Human Resources and Remuneration Committee of the Board of Directors
Membership in other companies boards of directors	Member of the Board of Directors of Kabbalkenergo JSC
Positions, including in other companies, held over the previous 5 years	from 2015 till 2016: Director of the Department of Strategic Investments of Region BK JSC from 2016 till 2018: Member of the Board of Directors of Mosenergo PJSC from 2017 till present: Strategy Director of FINAM JSC from 2018 till 2019: Member of the Board of Directors of TGC-1 PJSC from 2018 till present: Head of the Committee for the Election of Directors to Joint-Stock Companies of Professional Directors of the AID (Association of Independent Directors) Association from 2019 till present: Member of the Board of Directors of OGK-2 JSC from 2020 till present: Member of the Board of Directors of Kabbalkenergo JSC
Ownership (direct or indirect) of company shares	Has no shares in OGK-2 JSC
Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)	No





SERGEY ARTUROVICH ZAITSEV

1970

Education, qualification

Moscow Power Engineering Institute (TU),  
in the specialty of the Thermal Power Plants

Place of work, current position

Deputy Managing Director for Production – Chief Engineer at OGK-2 JSC

Information on participation in the work of the committees of the Board of Directors of OGK-2

Member of the Reliability Committee of the Board of Directors

Membership in other companies boards of directors

Does not participate

Positions, including in other companies, held over the previous 5 years

from 2015 till 2017: Director of CHPP – 26 Branch of Mosenergo PJSC (until 2015 – Mosenergo OJSC)  
from 2017 till present: Deputy Chief Engineer – Head of Production Department, Deputy General Director for Operations – Chief Engineer, Deputy Managing Director for Operations – Chief Engineer  
from 2020 till present: Member of the Board of Directors of OGK-2 JSC

Ownership (direct or indirect) of company shares

Has no shares in OGK-2 JSC

Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)

No



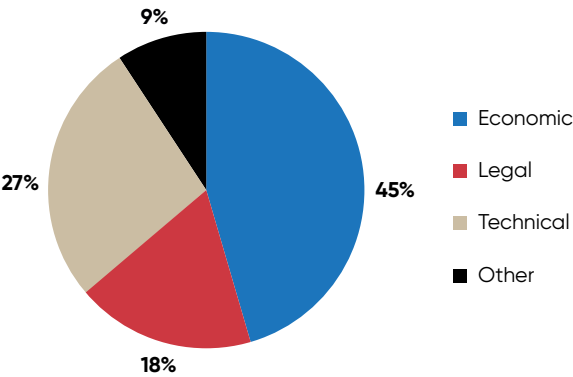
TRAINING FOR THE BOARD OF DIRECTORS MEMBERS

The Company aims to hold training events for members of the Company's Board of Directors on a regular basis (at least once a year) in order to contribute to the development of their competencies and to expand the individual knowledge areas of

members of the Company's Board of Directors. For example, the Annual General Meeting of Shareholders of OGK-2 JSC held on June 24, 2020 (Minutes No. 14 dated June 29, 2020) approved the Company's Charter as amended, enlarging the competence

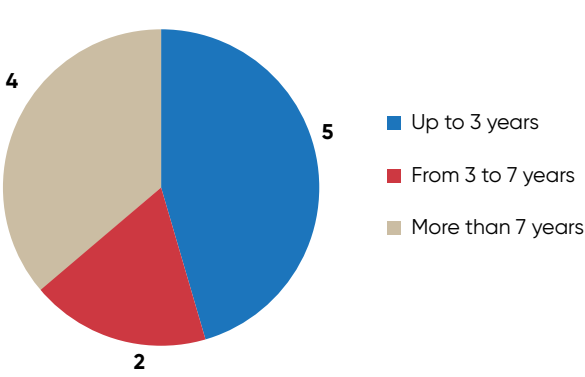
of the Company's Board of Directors with the issue of approval of a training and professional development program for the members of the Board of Directors.

COMPOSITION OF THE BOARD OF DIRECTORS BY THE TYPE OF EDUCATION OF ITS MEMBERS\*



\* Taking into account second university degree and academic degrees.

LENGTH OF SERVICE AS A MEMBER OF THE BOARD OF DIRECTORS OF OGK-2 JSC

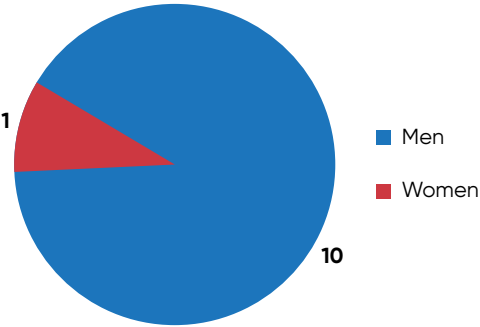


CHANGES AMONG THE MEMBERS OF THE BOARD OF DIRECTORS FOR THE REPORTING PERIOD

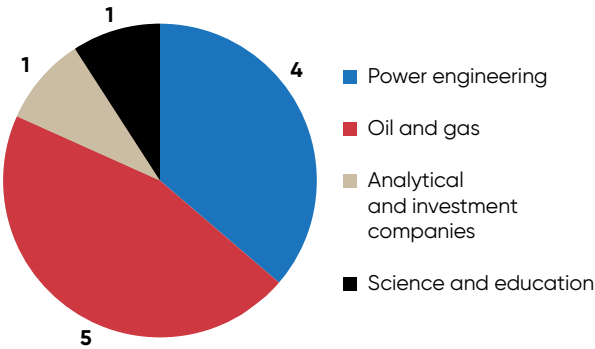
In 2020, there were the following changes in the Board of Directors of OGK-2:

№	Members of the Board of Directors during the period from June 11, 2019 to June 24, 2020 (elected on June 11, 2019 at the Annual General Meeting of Shareholders of OGK-2 JSC, Minutes No. 13 dated June 11, 2019)	Current members of the Board of Directors as from June 24, 2020 (elected on June 24, 2020 at the Annual General Meeting of Shareholders of OGK-2 JSC, Minutes No. 14 dated June 29, 2020)
1.	Denis Vladimirovich Fedorov (Chairman)	Denis Vladimirovich Fedorov (Chairman)
2.	Roman Eduardovich Abdullin	Roman Eduardovich Abdullin
3.	Albert Fyaritovich Bikmurzin	Albert Fyaritovich Bikmurzin
4.	Andrey Igorevich Dmitriev	Nikolai Dmitrievich Rogalyov (independent director)
5.	Evgeny Nikolaevich Zemlyanoy	Evgeny Nikolaevich Zemlyanoy
6.	Irina Yuryevna Korobkina	Irina Yuryevna Korobkina
7.	Denis Viktorovich Kulikov (independent director)	Sergey Arturovich Zaitsev
8.	Valery Gennadievich Pyatnitsev (independent director)	Valery Gennadievich Pyatnitsev (independent director)
9.	Alexander Vladimirovich Rogov	Alexander Vladimirovich Rogov
10.	Artyom Viktorovich Semikolenov	Artyom Viktorovich Semikolenov
11.	Pavel Olegovich Shatsky	Pavel Olegovich Shatsky

GENDER COMPOSITION OF THE BOARD OF DIRECTORS



INDUSTRY-RELATED COMPETENCIES OF MEMBERS OF THE BOARD OF DIRECTORS AT THE PRINCIPAL PLACE OF EMPLOYMENT



CONDITIONS FOR ARRANGING AND SELECTION CRITERIA FOR THE CANDIDATES TO THE BOARD OF DIRECTORS

The Board of Directors shall be arranged to ensure a balance of qualification, knowledge and expertise, for the members of the Board of Directors to properly perform their duties to the Company's benefit, taking into account the Company's development strategy. Members of the Company's Board of Directors shall have proper goodwill, including among investors, and shall have no conflict of interest with the Company.

The Company is interested in shareholders nominating to the Company's Board of Directors the candidates having experience and expertise in electric power, finance, audit, strategic management, risk management, human resources and remuneration, corporate governance, process renewal, innovation and investments, having experience in boards of directors or in senior positions at other public companies, including international ones.

To arrange the effective work of the Board of Directors, the Company advises its shareholders to nominate

candidates who participate in no more than 5 public joint stock companies at the time of nomination to the Board of Directors.

Members of the Board of Directors shall have an impeccable reputation. However, committing by a person any economic crime or crimes against state authorities, public service or local authorities, or any administrative offences, mainly in the areas of business, finance, taxes and dues, or the securities market, is a factor that adversely affects its reputation.

Since 2020, the Human Resources and Remuneration Committee has assessed all candidates nominated to the Board of Directors for their compliance with the criteria established by the Regulations about the Board of Directors of OGK-2 JSC, as well as with the independence criteria defined by the securities market regulator and Moscow Exchange PJSC, and it has subsequently provided recommendations to the General Meeting of Shareholders of OGK-2 JSC

in respect of voting for candidates to be elected to the Company's Board of Directors.

According to the preliminary analysis made by the Human Resources and Remuneration Committee on June 01, 2020, all candidates nominated to the Company's Board of Directors have high professional qualifications and meet the following criteria set forth in the Regulations about the Board of Directors of OGK-2 JSC:

- have competence and experience in energy, finance, audit, strategic management, risk management, human resources and remuneration, corporate governance, process modernization, innovation and investment;
- have experience of participation in boards of directors or at senior positions at other public companies;
- participate in no more than 5 public joint stock companies.

LIABILITY INSURANCE FOR THE MEMBERS OF THE BOARD OF DIRECTORS

OGK-2 provides liability insurance for the members of the Board of Directors as for the members of the management bodies of the Company. Insurance's goal is to compensate

for potential damage as a result of unintentional erroneous actions (omissions) of insured persons in the course of their functions exercising. The insurance premium under the

contract made in 2020 amounts to 3 million rubles, and the insurance amount to 600 million rubles.

AVOIDING CONFLICTS OF INTEREST IN THE BOARD OF DIRECTORS

The Code of Corporate Ethics of OGK-2 JSC provides for a list of measures to prevent potential or actual conflicts of interest between the members of the Board of Directors and the Company interests. In particular, these relate not only to their own interests, but also to those of their family, friends and other personal relationships, receiving gifts, services, other benefits, using the Company's assets and resources, and disclosing information. Members of the Board of Directors shall also refrain from having labor or civil law relations with a competitor, including cases of predominant participation in the authorized capital of a competing company or in the management bodies of such companies by the Board members themselves or their close relatives or family members.

The Regulations about the Board of Directors stipulate the duty for a member of the Board of Directors to refrain from any actions that will or may lead to a conflict of interest. If a member of the Board of Directors has a conflict of interest, he/she shall advise the Board of Directors thereof by notifying the Chairman of the Board of Directors.

In 2020, the Company did not receive any notifications on the conflicts of interest; nonetheless the Corporate Secretary monitors the possibility of any conflicts of interest arising on a quarterly basis by analyzing the updated questionnaires of the members of the Board of Directors.

According to the analysis made:

- none of the members of the Board of Directors or the members of the Committees under the Board of Directors have any family relations with other persons who are the members of the management bodies and/or bodies controlling the financial and economic activities of OGK-2;
- none of the members of the Board of Directors or the members of the Committees under the Board of Directors of OGK-2 received any loans (credits).

In 2020, no conflicts of interest were revealed among the members of the Board of Directors and executive bodies of the Company.

PLANS FOR 2021

In 2021, the Company intends to submit for approval by the Board of Directors of OGK-2 the Regulations about Control over Compliance with Legal Requirements to Counteract Illegal Use of Insider Information and Market Manipulation and the Regulations about the Procedure of Access to Insider Information as amended, that provide for a prohibition on transactions making with the Company's financial instruments, including for the members of the Board of Directors of OGK-2:

1. During the period from the first calendar day of the first month of the second quarter of a calendar year up to the publication of the Company's annual consolidated financial statements for the reporting year made subject to International Financial Reporting Standards (IFRS).
2. During the period from the fifteenth calendar day of the second month after the end of the reporting quarter (except for the first quarter of a calendar year) until the publication of the interim consolidated financial statements of the Company for the reporting period consisting of three, six or nine months of the current year, made subject to International Financial Reporting Standards (IFRS).
3. During the period of thirty calendar days as of the date when a member of the Company's Board of Directors and/or persons related to them make a transaction with financial instruments of the Company in their own interests, when the members of the Company's Board of Directors and persons related to them shall refrain from making contrary transactions in relation to such transactions. Contrary transactions are transactions that directly or indirectly result in the closing and/or hedging of a previously open position.

3.5 Committees under the Board of Directors

There are four committees under the Board of Directors of OGK-2 – Strategy and Investment Committee, Audit Committee, Human Resources and Remuneration Committee, and

Reliability Committee. The listed Committees are consultative and advisory bodies and ensure the effective performance by the Board of Directors of its functions in the

overall management of the Company. The members of the Committees are approved by the Board of Directors.

STRATEGY AND INVESTMENT COMMITTEE



Mr. Nikita Yuryevich Osin,  
Chairman of the Strategy  
and Investment Committee

Deputy Managing Director for  
Economics and Finance of OGK-2 JSC

Dear colleagues,

The Strategy and Investment Committee operations are aimed at defining the overall strategic priorities, targets and principles of the Company's development, as well as at making decisions in the area of investment. The Committee members are directly involved in monitoring the achievement of strategic targets and key performance indicators.

In 2020, most of the issues considered by the Committee were related to financial planning: a new business plan was prepared and approved and the progress of implementation thereof was being controlled. In addition, the Committee was working on the long-term performance targets of the Company's operations, and on minimizing the impact of risks and new challenges the world encountered.

Strategy and Investment Committee is responsible for:

- defining general strategic priorities, goals and principles of Company development;
- assessing the Company performance in the medium and long term;
- analyzing the implementation of adopted programs and projects for strategic development;
- adjusting the adopted development strategy;
- setting key performance indicators (KPIs) for approval by the Board of Directors;

- controlling the achievement of strategic goals and the implementation of key performance indicators (KPIs) approved by the Board of Directors;
- defining and improving policies in the sphere of business planning and budgeting;
- carrying out financial planning, determining credit and dividend policy;
- considering the issues on debt financing, including the issuance of bonds and other debt securities;
- making decisions in the sphere of investment activity;

- arranging the examination of investment projects and programs submitted for consideration by the Board of Directors.

Composition of the Strategy and Investment Committee			
for the period from July 31, 2019 till July 17, 2020 (arranged by the decision of the Board of Directors, Minutes No. 219 dated July 31, 2019)		for the period from July 18, 2020 till present (arranged by the decision of the Board of Directors, Minutes No. 242 dated July 20, 2020)	
Full name	Position	Full name	Position
Pavel Olegovich Shatsky (Chairman)	First Deputy General Director of Gazprom Energoholding LLC	Nikita Yuryevich Osin <sup>15</sup> (chairman)	Deputy Managing Director for Economics and Finance of OGK-2 JSC
Alexey Yuryevich Doronin	Director for Regional Development of OGK-2 JSC	Alexey Yuryevich Doronin	Director for Regional Development of OGK-2 JSC
Dmitry Rufimovich Kiselyov	Deputy Director for Economics and Finance – Head of the Economic Directorate of Gazprom Energoholding LLC	Dmitry Rufimovich Kiselyov	Deputy Director for Economics and Finance – Head of the Economic Directorate of Gazprom Energoholding LLC
Sergey Andreyevich Kozimirov	Chief Expert at Gazprom PJSC	Sergey Andreyevich Kozimirov	Chief Expert at Gazprom PJSC
Roman Viktorovich Litvinov	Deputy Head of the Department at Gazprom PJSC	Roman Viktorovich Litvinov	Deputy Head of the Department at Gazprom PJSC
Sergey Vadimovich Pokrovsky	Deputy Executive Director of the Association of Professional Investors	Nikolai Dmitrievich Rogalyov	Vice-chancellor of NRU MPEI, FSBEI of HE
Valery Gennadievich Pyatnitsev	Strategy Director at Finam JSC	Valery Gennadievich Pyatnitsev	Strategy Director at Finam JSC
Alexander Vladimirovich Rogov	Deputy Head of the Directorate – Head of the Department at Gazprom PJSC	Alexander Vladimirovich Rogov	Deputy Head of the Directorate – Head of the Department at Gazprom PJSC
Andrey Igorevich Dmitriev	General Director of Gazprom Gas-Engine Fuel LLC	-	-
Evgeny Nikolaevich Zemlyanoy	Deputy General Director for Economics and Finance of Gazprom Energoholding LLC	-	-

<sup>17</sup> By the decision of the Board of Directors of OGK-2 JSC dated July 17, 2020 (Minutes No. 242 dated July 20, 2020), an eight-member Committee was arranged. Changes were made as to the members of the Committee – the powers of Mr. Pavel Olegovich Shatsky, Mr. Evgeny Nikolaevich Zemlyanoy, Mr. Andrey Igorevich Dmitriev and Mr. Sergey Vadimovich Pokrovsky were terminated; Mr. Nikita Yuryevich Osin and Mr. Nikolai Dmitrievich Rogalyov were elected to the Committee.

The current composition of the Committee includes two independent directors: Mr. V.G. Pyatnitsev and Mr. N.D. Rogalyov.

Report on the work of the Strategy and Investment Committee of the Board of Directors in 2020	
Number of meetings	The most important issues considered and recommendations to the Board of Directors
6	<ul style="list-style-type: none"><li>On consideration and recommendation to the Board of Directors to approve the Company's business plan for 2020.</li><li>On preliminary consideration of matters falling within the competence of the Company's Board of Directors: "On review of reports on the results of performance of the OGK-2 JSC business plan for 2019, Q1, 6 months and 9 months of 2020". Following consideration of these matters, it was recommended for Board of Directors to approve the report on the business plan performance for the relevant period.</li><li>On review and on recommendation to the Board of Directors to approve the business plan of OGK-2 JSC for 2021.</li></ul>

AUDIT COMMITTEE



Valery Gennadievich Pyatnitsev,  
Chairman of the Audit Committee

Strategy Director at Finam JSC

The Audit Committee under the Board of Directors of OGK-2 JSC is aimed at ensuring the effective work of the Board of Directors in resolving issues falling within its competence.

The purpose of the Committee is, among other things, to develop and submit recommendations (opinions)

Dear colleagues,

In 2020, the Audit Committee continued its work on ensuring the independence and objectivity of internal audit, quality risk management, reliability of corporate governance and internal control systems.

The issues considered by the Committee primarily related to recommendations to the Board of Directors in the area of audit and internal control. Besides, the Committee was actively involved in considering to candidate to be appointed as the Company's auditor and approved the Committee's work schedule for 2020–2021.

to the Board of Directors in the sphere of audit, internal control and risk management at OGK-2 JSC. The Committee acts subject to the Regulations about the Audit Committee of the Board of Directors of OGK-2 JSC (approved by the Board of Directors of OGK-2 JSC on November 09, 2020, Minutes No. 247 dated November 09,

2020). In its operations, the Committee is also guided by Federal Acts, other regulatory legal acts of the Russian Federation, the Company's Charter, the Regulations about the Company's Board of Directors, and resolutions of the Company's Board of Directors.

Members of the Audit Committee			
for the period from July 08, 2019 till July 17, 2020 (arranged by the decision of the Board of Directors, Minutes No. 218 dated July 08, 2019)		for the period from July 18, 2020 till present (arranged by the decision of the Board of Directors, Minutes No. 242 dated July 20, 2020)	
Full name	Position	Full name	Position
Valery Gennadievich Pyatnitsev (Chairman)	Strategy Director at Finam JSC	Valery Gennadievich Pyatnitsev (Chairman)	Strategy Director at Finam JSC
Irina Yuryevna Korobkina	Deputy Head of the Directorate of Gazprom PJSC	Irina Yuryevna Korobkina	Deputy Head of the Directorate of Gazprom PJSC
Roman Eduardovich Abdullin	Deputy Head of the Department of Gazprom PJSC	Roman Eduardovich Abdullin	Deputy Head of the Department of Gazprom PJSC
Evgeny Nikolaevich Zemlyanoy	Deputy General Director for Economics and Finance of Gazprom Energoholding LLC	Nikolai Dmitrievich Rogalyov <sup>18</sup>	Vice-Chancellor of NRU MPEI, FSBEI of HE
Denis Viktorovich Kulikov	Advisor to the Executive Director of the Association of Professional Investors	-	-

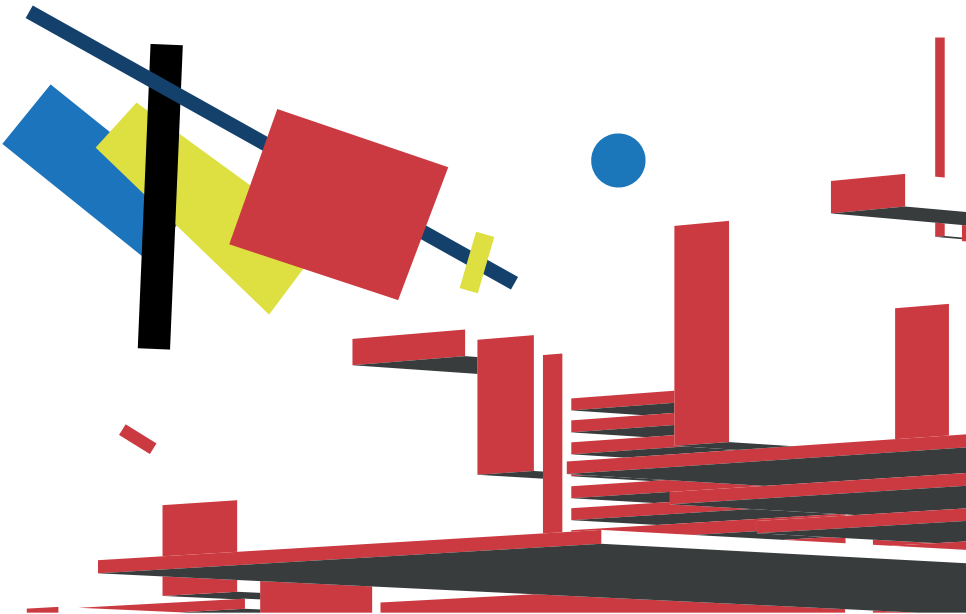
The current composition of the Committee includes two independent directors: Mr. V.G. Pyatnitsev and Mr. N.D. Rogalyov.

By the decision of the Board of Directors of OGK-2 JSC dated

November 09, 2020 (Minutes No. 247 dated November 09, 2020) members of the Committee elected by the Company's Board of Directors on July 17, 2020, Mr. V.G. Pyatnitsev and Mr. N.D. Rogalyov, were recognized as independent directors.

All meetings were held in absentia. The meeting attendance rate by the Committee members was 100%.

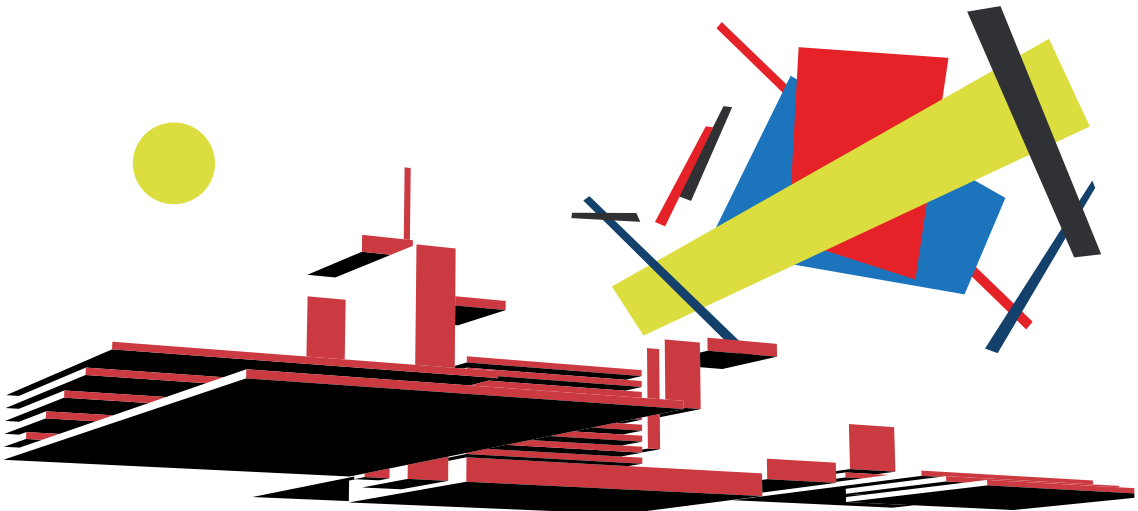
A total of 12 issues were considered by the Committee during the reporting period.



<sup>17</sup> By the decision of the Board of Directors of OGK-2 JSC dated July 17, 2020 (Minutes No. 242 dated July 20, 2020), a four-member Committee was arranged. There was a change in the members of the Committee: the authorities of Mr. Evgeny Nikolaevich Zemlyanoy and Mr. Denis Viktorovich Kulikov have been terminated, Mr. Nikolai Dmitrievich Rogalyov has been elected to the Committee.



Report on the work of the Audit Committee of the Board of Directors in 2020	
Number of meetings	The most important issues considered and recommendations to the Board of Directors
8	<ul style="list-style-type: none"> <li>About preliminary consideration of the issue falling within the competence of the Company's Board of Directors; "On Approval of the Work Schedule of the Internal Audit Directorate of OGK-2 JSC for 2020".</li> <li>About assessing the independence, fairness and absence of any conflict of interest for the auditor of OGK-2 JSC – BDO Unicon JSC.</li> <li>About assessing the opinion of the Auditor of OGK-2 JSC following the results of the audit of the Company's annual accounting (financial) statements and consolidated financial statements for 2019 prepared subject to International Financial Reporting Standards and the quality of audit services.</li> <li>About preliminary consideration of the issue falling within the competence of the Company's Board of Directors "About Recommendations to the General Meeting of Shareholders of OGK-2 JSC on the Issue Related to Approval of the Company's 2019 Annual Accounting (Financial) Statements".</li> <li>About preliminary consideration of the issue falling within the competence of the Company's Board of Directors "About Recommendations to the General Meeting of Shareholders of OGK-2 JSC on the Issue Related to Approval of the Candidate to the Position of the Company's Auditor".</li> <li>About the proposal for determining the amount of the auditor's fees.</li> <li>About the approval of the Work Schedule of the Audit Committee of the Company's Board of Directors for 2020–2021.</li> <li>About preliminary consideration of the issue falling within the competence of the Company's Board of Directors "About Approval of the Regulations about the Audit Committee under the Company's Board of Directors".</li> <li>About consideration of the Schedule for Third-Party Audit of Annual Accounting (Financial) Statements for 2020, as well as of consolidated financial statements of OGK-2 JSC Group for 2020, prepared subject to International Financial Reporting Standards.</li> <li>About assessing the auditor's report following the review of the consolidated financial statements of OGK-2 JSC Group for the period from January 01, 2020 to June 30, 2020, prepared subject to International Financial Reporting Standards, and the quality of audit services.</li> <li>About preliminary consideration of the issue falling within the competence of the Company's Board of Directors: "About Consideration of the Work Schedule of the Company's Internal Audit Directorate for 2021".</li> </ul>



### RELIABILITY COMMITTEE



**Mikhail Vladimirovich Fedorov,**  
**Chairman of the Reliability Committee**

**Director for Production of Gazprom  
Energoholding LLC**

Dear colleagues,

During the reporting period, the Reliability Committee considered traditional issues falling within its competence: regular monitoring of the Company's engineering services operations in terms of ensuring the reliability of energy facilities; analysis of the implementation of technical re-equipment programs and repair

plans, as well as development of recommendations based on the analysis of accidents and economic damage following the results of 2019.

In 2020, the Committee paid special attention to the implementation of the investment program and the quarterly KPIs and the R&D program.

Reliability Committee is responsible for:

- conducting examination of strategic priorities, goals and principles of the Company's development in terms of ensuring the requirements of integrated reliability;
- conducting examination of technical re-equipment and reconstruction programs, schedules for the power facilities repair, analyzing implementation thereof;
- preparing suggestions to the Personnel and Remuneration Committee on the assessment of management activities in terms of ensuring compliance with the requirements of integrated reliability;
- assessing the completeness and sufficiency of measures taken based on the results of accidents and major technological violations;
- considering and approving the Company's Technical Policy, as

well as the annual report of the Company's General Director on implementation thereof;

- assessing the Company's technical services operations in terms of ensuring the reliability of the network, generating equipment, facilities and other technological infrastructure.

Members of the Reliability Committee			
for the period from July 31, 2019 till July 17, 2020 (arranged by the decision of the Board of Directors, Minutes No. 219 dated July 31, 2019)		for the period from July 18, 2020 till present (arranged by the decision of the Board of Directors, Minutes No. 242 dated July 20, 2020)	
Full name	Position	Full name	Position
Mikhail Vladimirovich Fedorov (Chairman)	Director for Production of Gazprom Energoholding LLC	Mikhail Vladimirovich Fedorov (Chairman)	Director for Production of Gazprom Energoholding LLC
Oleg Nikolaevich Ivanov	Deputy Chief Engineer – Head of the Directorate for the Organization of Technical Services of OGK-2 JSC	Oleg Nikolaevich Ivanov	Deputy Chief Engineer – Head of the Directorate for the Organization of Technical Services of OGK-2 JSC
Andrey Viktorovich Kalashnikov	Deputy Director for Production – Head of Technical Directorate of Gazprom Energoholding LLC	Andrey Viktorovich Kalashnikov	Deputy Director for Production – Head of Technical Directorate of Gazprom Energoholding LLC
Sergey Arturovich Zaitsev	Deputy Managing Director for Production – Chief Engineer at OGK-2 JSC	Sergey Arturovich Zaitsev	Deputy Managing Director for Production – Chief Engineer at OGK-2 JSC

Members of the Reliability Committee			
for the period from July 31, 2019 till July 17, 2020 (arranged by the decision of the Board of Directors, Minutes No. 219 dated July 31, 2019)		for the period from July 18, 2020 till present (arranged by the decision of the Board of Directors, Minutes No. 242 dated July 20, 2020)	
Full name	Position	Full name	Position
Sergey Faritovich Mukhametov	Deputy Head of the Technical Department – Head of Repair Department of Gazprom Energoholding LLC	Sergey Faritovich Mukhametov	Head of the Technical Directorate of Gazprom Energoholding LLC
Sergey Alexandrovich Petelin	Deputy Director for Production – Head of Production Directorate of Gazprom Energoholding LLC	Sergey Alexandrovich Petelin	Deputy Director for Production – Head of Production Directorate of Gazprom Energoholding LLC
Mikhail Vladimirovich Sorokin	Head of the Department of Gazprom PJSC	Mikhail Vladimirovich Sorokin	Head of the Department of Gazprom PJSC

The current members of the Committee are not independent directors.

Report on the Reliability Committee work in 2020	
Number of meetings	The most important issues considered and recommendations to the Board of Directors
4	<ul style="list-style-type: none"> <li>Implementation of the repair program based on the results of 2019. Schedule and actual quarterly implementation for 2020.</li> <li>On achieving KPIs: "Implementation of the repair program", "Meeting the repair program timeline", "Process reliability", "Process safety", and "Implementation of the investment program" following the results of 2019 and each quarter of 2020, as well as recommendations to the Board of Directors to consider the aforementioned KPIs as being met and having the respective actual values.</li> <li>Implementation of the investment program based on the results of 2019. Schedule and actual quarterly implementation for 2020.</li> <li>On the implementation of the R&amp;D program.</li> <li>Overcoming of the spring flood in 2020.</li> <li>Analysis of accident rate and economic damage based on the results of 2019. Quarterly analysis in 2020.</li> <li>About compliance with quarterly KPIs.</li> </ul>

## HUMAN RESOURCES AND REMUNERATION COMMITTEE



**Pavel Olegovich Shatsky,**  
**Chairman of the Human Resources**  
**and Remuneration Committee**

**First Deputy General Director**  
**of Gazprom Energoholding LLC**

Dear colleagues,

In 2020, the Human Resources and Remuneration Committee focused on enhancing the efficiency of the remuneration system for the members of the Company's Board of Directors and senior managers, developing new incentive programs and improving the alignment between the corporate governance system and the goals and objectives set by the Company.

In addition, candidates to the Company's Board of Directors were considered at the Committee's meetings in order to make recommendations to the shareholders, it was also dealing with the issues relating to the evaluation of the Company's Corporate Secretary work.

The Human Resources and Remuneration Committee under the Board of Directors of OGK-2 JSC (hereinafter referred to as the Committee) is aimed at ensuring the effective work of the Board of Directors in resolving issues falling within its competence.

The purpose of the Committee is, among other things, to develop and submit recommendations (opinions) to

the Board of Directors in the sphere of human resources and social and labor policy adopted by OGK-2 JSC.

The Committee acts subject to the Regulations about the Human Resources and Remuneration Committee of the Board of Directors of OGK-2 JSC (approved by the Board of Directors of OGK-2 JSC on September 30, 2016, Minutes

No. 154 dated September 30, 2016). In its operations, the Committee is also guided by Federal Acts, other regulatory legal acts of the Russian Federation, the Company's Charter, the Regulations about the Company's Board of Directors, and resolutions of the Company's Board of Directors.

Members of the Human Resources and Remuneration Committee			
for the period from July 31, 2019 till July 17, 2020 (arranged by the decision of the Board of Directors, Minutes No. 219 dated July 31, 2019)		for the period from July 18, 2020 till present (arranged by the decision of the Board of Directors, Minutes No. 242 dated July 20, 2020)	
Full name	Position	Full name	Position
Pavel Olegovich Shatsky (Chairman)	First Deputy General Director of Gazprom Energoholding LLC	Pavel Olegovich Shatsky (Chairman)	First Deputy General Director of Gazprom Energoholding LLC
Valery Gennadievich Pyatnitsev	Strategy Director at Finam JSC	Valery Gennadievich Pyatnitsev	Strategy Director at Finam JSC
Denis Viktorovich Kulikov	Advisor to the Executive Director of the Association of Professional Investors	Nikolai Dmitrievich Rogalyov <sup>19</sup>	Vice-Chancellor of NRU MPEI, FSBEI of HE
Irina Yuryevna Korobkina	Deputy Head of the Directorate of Gazprom PJSC	Irina Yuryevna Korobkina	Deputy Head of the Directorate of Gazprom PJSC
Alexander Vladimirovich Rogov	Deputy Head of the Directorate – Head of the Department of Gazprom PJSC	Alexander Vladimirovich Rogov	Deputy Head of the Directorate – Head of the Department of Gazprom PJSC
Andrey Igorevich Dmitriev	First Deputy Head of the Department of Gazprom PJSC	-	-

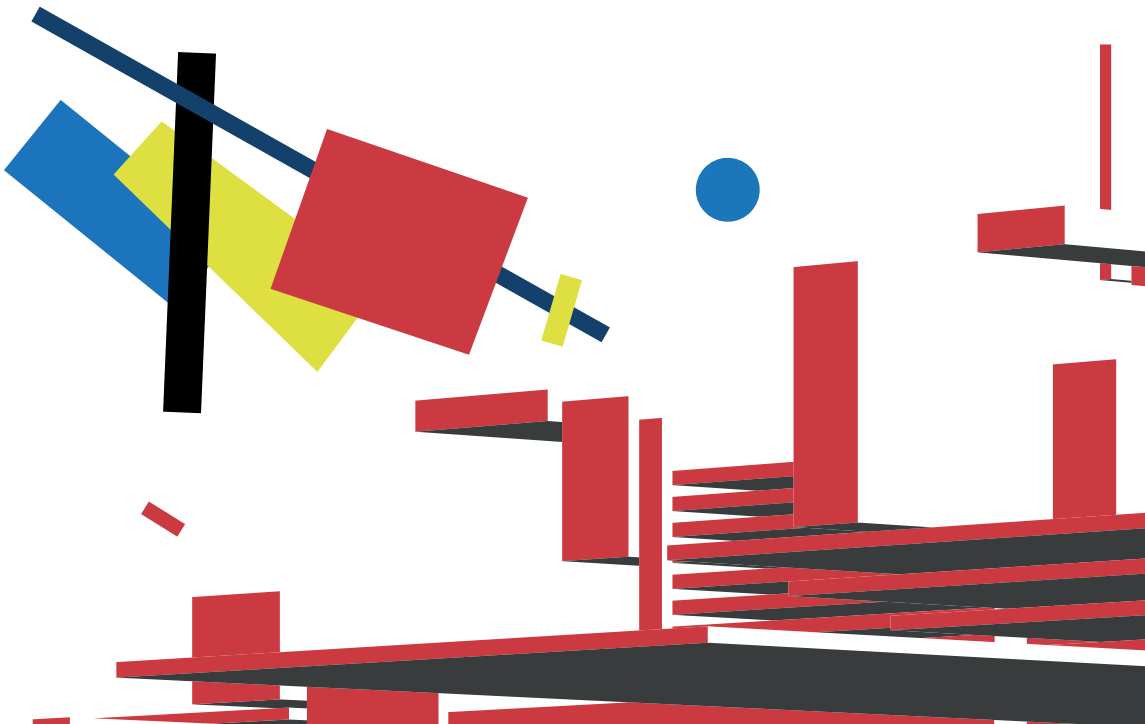
<sup>19</sup> By the decision of the Board of Directors of OGK-2 JSC dated July 17, 2020 (Minutes No. 242 dated July 20, 2020), a five-member Committee was arranged. There were changes to the members of the Committee: the authorities of Mr. Denis Viktorovich Kulikov and Mr. Andrey Igorevich Dmitriev have been terminated, Mr. Nikolai Dmitrievich Rogalyov has been elected to the Committee.

The current composition of the Committee includes two independent directors: Mr. V.G. Pyatnitsev and Mr. N.D. Rogalyov.

In 2020, the Committee held five meetings. All meetings were held in absentia. The meetings attendance rate was 100%.

A total of 8 issues were considered by the Committee during the reporting period.

Report on the work of the Human Resources and Remuneration Committee in 2020	
Number of meetings	The most important issues considered and recommendations to the Board of Directors
5	<ul style="list-style-type: none"><li>About recommendations to shareholders regarding voting to elect candidates to the Company's Board of Directors.</li><li>About preliminary consideration of the issue falling within the competence of the Company's Board of Directors "About Approval of Gazprom Energoholding LLC Report" on services providing subject to the agreement on delegating the authorities of the chief executive officer of OGK-2 JSC".</li><li>About approval of the Work Schedule of the Human Resources and Remuneration Committee of the Company's Board of Directors for 2020–2021.</li><li>About the annual assessment of the Company's Corporate Secretary operations.</li><li>About preliminary consideration of the issue falling within the competence of the Company's Board of Directors "About Determining the status of a Member of the Company's Board of Directors".</li><li>About the preliminary consideration of the issue falling within the competence of the Company's Board of Directors "About Approval of the Company's Collective Agreement for 2021–2023".</li></ul>



### 3.6 Corporate Secretary

The Corporate Secretary ensures the implementation of mechanisms for exercising the rights and ensuring observance of the interests of shareholders, including observing the procedure for holding the General Meeting of Shareholders, and acts as a secretary of the General Meeting of Shareholders and the Company's Board of Directors; arranges the

operations of management and control bodies, as well as the interaction of the Board of Directors and the management of the Company; ensures storage, disclosure and provision of information about the Company; performs the work on corporate traditions keeping, resolving disputes and conflicts, follows the observance of the

Company's interests, including during interaction with the Regulator and government authorities.

By the decision of the Board of Directors (Minutes of the Board of Directors No. 154 dated September 30, 2016) Mr. Alexey Mikhailovich Gusev was appointed to the position of the Corporate Secretary of OGK-2.



ALEXEY MIKHAILOVICH GUSEV

1980

Education, qualification	Higher, Udmurt State University
Place of work, current position	Corporate Secretary of OGK-2 JSC Deputy Director for Corporate and Property Affairs – Head of the Corporate Affairs Directorate of Gazprom Energoholding LLC.
Positions, including in other companies, held over the previous 5 years Place of work, current position	from 2017 till present: Deputy Director for Legal and Corporate of Gazprom Energoholding LLC. from 2016 till present: Corporate Secretary of Mosenergo PJSC. from 2015 till present: Corporate Secretary of OGK-2 JSC. from 2014 till present: Secretary of the Board of Directors of MOEK PJSC. from 2015 till 2017: Head of the Corporate Affairs Directorate of Gazprom Energoholding LLC. from 2011 till 2015: Deputy Head, Head of Corporate Relations and Control Department, Deputy Head of Corporate Relations Department of Gazprom Energoholding LLC.
Ownership (direct or indirect) of company shares	Has no ordinary shares of OGK-2
Any conflict of interests (including those related to participation in the management bodies of the Company's competitors)	No

The Company is governed by the Regulation about the Corporate Secretary approved by the decision of the Board of Directors of OGK-2 (Minutes of the Board of Directors No. 165 dated December 30, 2016), that set forth the main functions of the Corporate Secretary.

In addition to the Corporate Secretary, the functions in the area of corporate governance are performed by the Corporate Governance Department of the Corporate and Property Relations Directorate of OGK-2.

### 3.7 Chief Executive Officer

By the decision of the Annual General Meeting of Shareholders of OGK-2 dated June 26, 2018, the powers of the chief executive officer (CEO) were transferred to the managing organization, Gazprom Energoholding LLC (16 Dobrolyubov Avenue, bldg 2, lit. A, prem. 11, 197198, St. Petersburg, INN 7703323030, OGRN 1037739465004).

The transfer of the CEO's powers to the managing organization helped to strengthen control over the implementation of the unified

corporate governance standards of Gazprom Group, as well as the implementation of strategic and operational decisions in the process of energy assets management.

The rights and obligations of the managing organization to control the Company's day-to-day operations are provided by the Russian law, the Company's Charter and the agreement made with the Company. The managing organization settles all issues related to the Company's day-to-day operations control,

except for the issues falling within the competence of the General Meeting of Shareholders of OGK-2 and the Company's Board of Directors.

Gazprom Energoholding LLC (100% subsidiary of Gazprom PJSC) is the controlling entity of OGK-2.

During the reporting period, Gazprom Energoholding LLC did not make any transactions to acquire or dispose of the Company shares.

### 3.8 Audit Commission

An Audit Commission shall be established within a public company, if its existence is provided for in such public company's Charter.

Before June 24, 2020, the Audit Commission was an elective body and was elected at the General Meeting of Shareholders of OGK-2 to exercise control over the Company's financial and economic operations.

The Audit Commission consisted of five members during the period from June 11, 2019 to June 24, 2020. The Annual General Meeting of Shareholders of OGK-2 JSC held on June 24, 2020 (Minutes No.14 dated June 29, 2020) made the decision to approve the Charter as amended (registered under the procedure established by the Russian law on July 27, 2020), subject to which an

Audit Commission is not provided for within the Company. Therefore, no resolution to elect members to an Audit Commission of OGK-2 JSC was made by the Annual General Meeting of Shareholders OGK-2 JSC held on June 24, 2020.

Members of the Audit Commission as from June 11, 2019 (arranged by the decision of the Annual General Meeting of Shareholders, Minutes No. 13 dated June 11, 2019) to June 24, 2020	
Full name	Position
Margarita Ivanovna Mironova (Chairman)	First Deputy Chief of the Management Committee Administration – Head of the Department of Gazprom PJSC
Yuri Andreevich Linovitsky	Head of Internal Audit Directorate of Gazprom Energoholding LLC of Internal Audit Project of Gazprom Personal LLC
Kirill Alexandrovich Pristavka	Head of the Liquidity Management Department of Gazprom Energoholding LLC
Vadim Kasymovich Bikulov	Deputy Head of the Department – Head of the Directorate of Gazprom PJSC
Denis Anatolyevich Korshnyakov	Head of the Department for Financial Investments and Investor Relations of Gazprom Energoholding LLC

### 3.9 Internal Audit Directorate

The main objective of the Internal Audit Directorate is to make an independent and fair assessment of the reliability and effectiveness of systems, processes, operations in all Company's units and branches, as well as in its subsidiaries, and to improve thereof.

The Internal Audit Directorate (hereinafter also referred to as IAD) was arranged subject to the Organizational Structure of the Executive Office of OGK-2, approved by the decision of the Board of Directors in 2012.

The Internal Audit Directorate is functionally subordinate to the Board of Directors, and administratively – to the Chief Executive Officer. The number of the members of the Internal Audit Directorate as for December 31, 2020 is 4 people.

#### THE INTERNAL AUDIT DIRECTORATE PERFORMS THE FOLLOWING BASIC FUNCTIONS:

- conducting internal audit and other inspections aimed at improving the internal control system efficiency;
- generalizing and analyzing the facts of violations of the Company's financial and economic operations to develop measures to eliminate the consequences and prevent such violations;
- assessing the effectiveness of the internal control, risk management system and corporate governance, and developing recommendations to improve the efficiency thereof;
- analyzing the results of the Company's third-party audits and overseeing the preparation and implementation of actions schedules to eliminate violations revealed during inspections;
- monitoring the implementation of action schedules to eliminate violations and breaches revealed by the IAD during inspections;
- participating in dedicated (internal) investigations into any facts of abuse (fraud), damage to the Company and its subsidiaries, and inappropriate, inefficient use of resources;
- other functions necessary for the fulfilment of the tasks assigned to the Company's IAD.

### 3.10 Third-Party Auditor

In March 2019, OGK-2 JSC held a competitive procurement (tender) to select an Auditor to audit the Company's accounting (financial) statements prepared subject to the requirements of the Russian law, the consolidated financial statements of OGK-2 Group prepared subject to International Financial Reporting Standards for 2019 and 2020, to review the interim consolidated financial statements of OGK-2 JSC Group prepared subject to International Financial Reporting Standards (IFRS) for the first six months of 2019 and first six months of 2020. The following criteria were determined for participants to take part in the competitive procurement:

the second-level quotation list of the Russian trading organizer, Moscow Exchange PJSC;

- availability of qualified personnel with qualification certificates of auditors giving the right to make a binding audit subject to Para. 3, Article 5 of Federal Act No. 307-FZ "About Auditing Activities", international qualifications of persons that are members of international organizations (ACCA, CPA diplomas) and have experience in the sphere of generating companies audit;
- availability of license within the period of the services providing for performing works using information referred to the state secret issued by the FSS of the Russian Federation.

The specified criteria were evaluated subject to the bid evaluation methods specified in the tender documents.

Based on the results of the competitive procurement

(competitive selection), the candidacy of BDO Unicon JSC was submitted for approval to the Annual General Meeting of Shareholders. At the Annual General Meeting of Shareholders of OGK-2 JSC, held on June 24, 2020 (Minutes No. 14 dated June 29, 2020), BDO Unicon Joint Stock Company was approved the Auditor of OGK-2 JSC for 2020.



## 3.11 Remuneration and Incentives

### PROCEDURE FOR REMUNERATION DETERMINATION FOR THE MEMBERS OF THE BOARD OF DIRECTORS

#### Remuneration to the members of the Board of Directors for participation in the work of the management body amounted to 38,723 thous. rubles in 2020

Remuneration and/or compensation for expenses related to the work duties performance is paid to the members of the Board of Directors of OGK-2. The amount of remuneration and compensation to the members of the Board of Directors of OGK-2 is determined by the Company's Charter and the Regulation about the Procedure for Determining the Amount of Remuneration and Compensation to the Members of the Board of Directors" (approved by the decision of the Annual General Meeting of Shareholders, Minutes No. 13 dated June 11, 2019).

Subject to this Regulation, the remuneration to the members of the Board of Directors consists of the basic and optional parts. The basic part of the remuneration is paid for participation in each meeting of the Board of Directors in the amount equivalent to four minimal monthly tariff rates of the first-class worker established by the Industry Tariff Agreement in the electric power complex of the Russian Federation<sup>20</sup>.

The basic part of the remuneration for each meeting paid to the Chairman of the Board of Directors, Deputy Chairman or other person acting as the Chairman of the Board of Directors increases by 50%.

An optional part of the remuneration is paid to the members of the Board of Directors based on the results of the financial year in case the Company receives net profit. The total amount of the optional part of the remuneration based on the Company operations results may not exceed 5% of the Company net profit. An optional part of the remuneration following the results of the Company's operation is not paid to those members of the Board of Directors who participated in less than half of the meetings of the Board of Directors (from the moment of election up to their powers termination). The decision to pay an optional part of the remuneration to the members of the Board of Directors is made by the General Meeting of Shareholders. The optional part of the remuneration is

not paid to those members of the Board of Directors who participated in less than half of the meetings of the Board of Directors (from the moment of election up to their powers termination). The optional part of the remuneration is paid within a month after the date of the General Meeting of Shareholders. It is also possible to pay the optional part of the remuneration by the Company's shares at their market value.

The Annual General Meeting of Shareholders of OGK-2 JSC held on June 24, 2020 (Minutes No. 14 dated June 29, 2020) made the decision to pay optional remuneration to the members of the Board of Directors of OGK-2 JSC elected by the resolution of the Extraordinary General Meeting of Shareholders of OGK-2 JSC held on June 11, 2019 in the total amount of 31,900,000 (thirty one million nine hundred thousand) rubles. The total amount of optional remuneration shall be distributed among the members of the Board of Directors of OGK-2 JSC in equal shares.

#### INFORMATION ON THE REMUNERATION AMOUNT TO THE MEMBERS OF THE BOARD OF DIRECTORS FOR 2020

Indicator title	thous. rub.
Remuneration for participation in the management body operations	38,723
Salaries*	36,375
Bonuses*	22,841
Commission fees	0
Other types of remuneration*	953
<b>TOTAL paid</b>	<b>98,892</b>

\* Amount of salaries, bonuses and other types of remuneration paid to members of the Company's Board of Directors who were its employees at the same time.

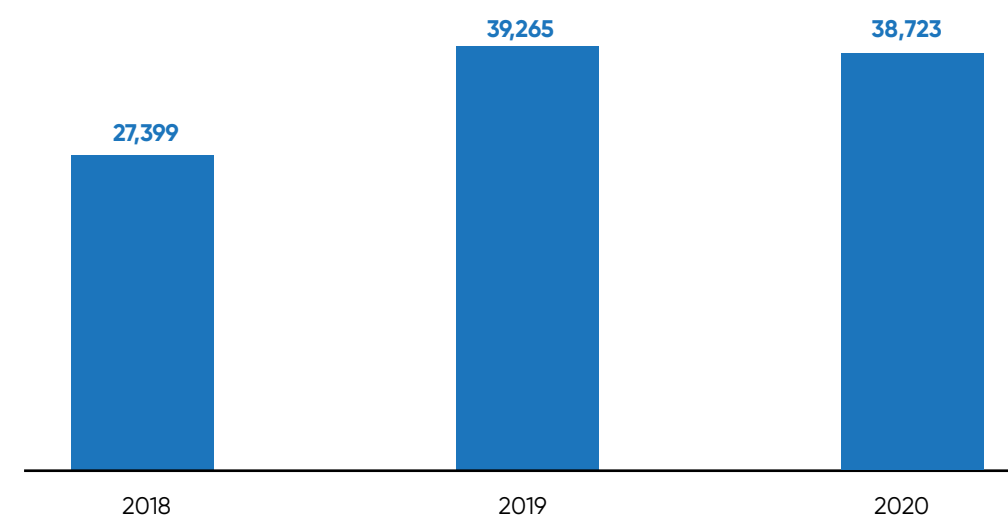
<sup>20</sup> The minimal monthly tariff rate for a first-class worker established by the Industry Tariff Agreement for the first six months of 2020 amounted to 8,030 rubles, and in second six months of 2020 – to 8,643 rubles.

### REMUNERATION PAID TO THE MEMBERS OF THE BOARD OF DIRECTORS IN 2020, RUBLES

Nº	Full name of the member of the Board of Directors	Remuneration Amount
1.	Denis Vladimirovich Fedorov (Chairman)	3,789,896.00
2.	Roman Eduardovich Abdullin	3,493,264.00
3.	Albert Fyaritovich Bikmurzin	3,493,264.00
4.	Nikolai Dmitrievich Rogalyov	178,400.00
5.	Evgeny Nikolaevich Zemlyanoy	3,493,264.00
6.	Irina Yuryevna Korobkina	3,493,264.00
7.	Sergey Arturovich Zaitsev	178,400.00
8.	Valery Gennadievich Pyatnitsev	3,493,264.00
9.	Alexander Vladimirovich Rogov	3,493,264.00
10.	Artyom Viktorovich Semikolenov	3,493,264.00
11.	Pavel Olegovich Shatsky	3,493,264.00
12.	Denis Viktorovich Kulikov*	3,314,864.00
13.	Andrey Igorevich Dmitriev*	3,314,864.00

\* A. I. Dmitriev and D. N. Kulikov were not elected at the Annual General Meeting of Shareholders of OGK-2 JSC on June 24, 2020 (Minutes No. 14 dated June 29, 2020).

#### CANGE IN REMUNERATION PAID TO MEMBERS OF THE BOARD OF DIRECTORS IN THE WORK OF THE GOVERNING BODY FOR THE PERIOD OF 3 YEARS, THOUSAND RUBLES



TRANSACTIONS WITH THE COMPANY'S SHARES CLOSED BY THE MEMBERS OF THE BOARD OF DIRECTORS IN 2020

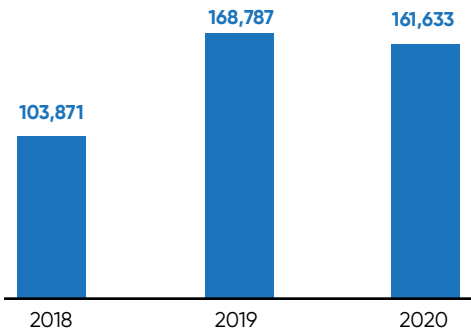
Full name of the member of the Board of Directors	Transaction Date	Transaction Details	Categories (type)	Number of shares sold, pcs.
Roman Eduardovich Abdullin	February 14, 2020	Sale of shares	Ordinary share	4,425,000
Alexander Vladimirovich Rogov	May 06, 2020	Sale of shares	Ordinary share	2,000,000
Alexander Vladimirovich Rogov	April 20, 2020	Sale of shares	Ordinary share	3,000,000
Alexander Vladimirovich Rogov	April 23, 2020	Sale of shares	Ordinary share	2,000,000
Alexander Vladimirovich Rogov	April 22, 2020	Sale of shares	Ordinary share	3,000,000

REMUNERATION TO THE MANAGING ORGANIZATION

Remuneration to the Managing Organization Amounted to 161,633 thous. rubles, VAT included

The remuneration to the managing organization is defined in Agreement No. 2-02/50896 of July 04, 2018 On the Delegation of the Company's Chief Executive Officer Authorities to the Managing Organization. For 2020, remuneration was paid in the amount of 161,633 thous. rubles, VAT included.

REMUNERATION PAID TO THE MANAGEMENT COMPANY, THOUSAND RUBLES, VAT INCLUDED



REMUNERATION TO THE MEMBERS OF THE AUDIT COMMISSION

Remuneration to the Members of the Audit Commission Amounted to 1,188 thous. rubles

Subject to the Regulations about the Payment of Remuneration and Compensation to the Members of the Audit Commission approved by the Annual General Meeting of Shareholders (Minutes No. 8 dated June 11, 2015), remuneration related to the performance of work duties was paid to the members of the Audit

Commission of OGK-2 for the period from January 01, 2020 to June 24, 2020.

Subject to the Regulations, each member of the Audit Commission of OGK-2 has received a lump-sum fee for participation in the financial and economic operations audit in the

amount equivalent to twenty-five minimal monthly tariff rates for the first-class workers, established by the Industry Tariff Agreement in the electric power complex of the Russian Federation for the audit period. The remuneration to the Chairman of the Audit Commission is paid at a time-and-a-half rate.

INFORMATION ON THE REMUNERATION AMOUNT TO THE AUDIT COMMISSION MEMBERS FOR 2020, THOUS. RUBLES

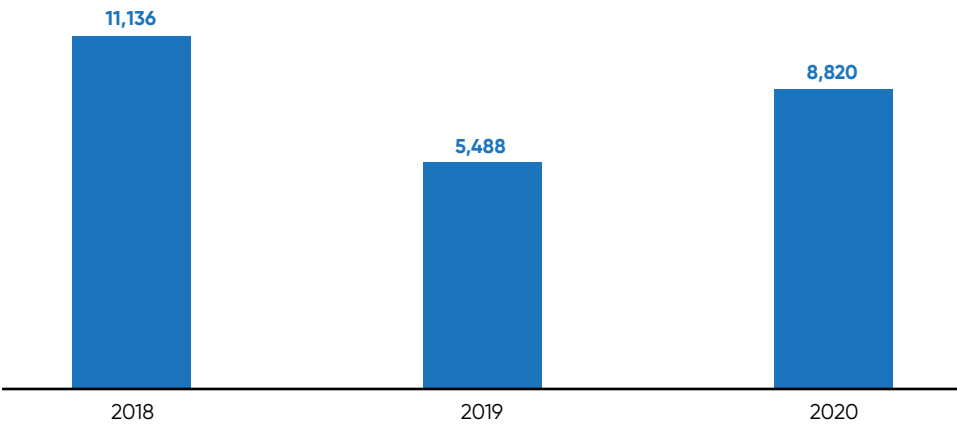
Indicator title	2020
Remuneration for participation in the body exercising control over the issuer's financial and business operations	1,188
Salaries	0
Bonuses	0
Commission fees	0
Other types of remuneration	0
TOTAL	1,188

REMUNERATION OF THE THIRD-PARTY AUDITOR

AMOUNT OF PAYMENT FOR THE SERVICES PROVIDING BY THE AUDITOR IN 2020, THOUS. RUB.

Subject of the contract	Amount of the Services Provided in 2020 (including VAT)	Amount of the Services Paid in 2020 (including VAT)
Provision of audit services for the inspection of accounting statements compiled subject to the requirements of Russian legislation (RAS) and financial statements compiled subject to international financial reporting standards (IFRS) for 2019-2020.	8,820	8,820
TOTAL	8,820	8,820

CHANGE IN THE REMUNERATION PAID TO THE AUDITOR FOR THE PERIOD OF 3 YEARS, THOUSAND RUBLES



COMPENSATION FOR EXPENSES

The members of the Board of Directors receive the following compensation for their expenses incurred to exercise their authorities subject to the Regulation about the Procedure for Determining the Amount of Remuneration and Compensation to the Members of the Board of Directors (approved by the Decision of the Annual General Meeting of Shareholders, Minutes No. 13 dated June 11, 2019):

- payment of per diem in the manner prescribed for the Company's chief executive officer or the chief executive officer of the Company's managing organization;
- reimbursement of travel expenses to the business trip destination and back to the place of permanent work or residence (including insurance premium for compulsory personal insurance of passengers on transport,

payment of services for issuing travel documents, etc.) in the amount of actual expenses confirmed by travel documents, but not higher than the cost of travel:

- by train in a business-class luxury car (SV, S);
- by sea and river transport at the tariffs set by the carrier, but not higher than the cost of travel in a luxury cabin with passenger's all-inclusive service;
- by air at a business class rate;
- by road in a public motor vehicle (except for a taxi and car rental);
- reimbursement of expenses for residential premises renting in the amount of actual expenses confirmed by the relevant documents, but not more than three minimal monthly tariff rates

for a first-class worker established by the Agreement as for the day of reimbursement, taking into account the indexation established by the Agreement, for each day of residing.

The members of the Company's Audit Commission shall be reimbursed for expenses in connection with their participation in a meeting of the Company's Audit Commission and inspection performing at the Company's rates of travel expenses reimbursement in effect at the time of such meeting or inspection. Reimbursement shall be paid subject to the Company's Regulations about Remuneration and Compensation Payment to Members of the Audit Commission of OGK-2 JSC (approved by the decision of the Annual General Meeting of Shareholders, Minutes No. 8 dated June 11, 2015).

- development of tactics and methods to identify, prevent and resolve any conflicts of interest.

Interest were held, where 13 issues were considered.

Most issues considered in 2020 were related to making decisions on Company's transactions in cases where contractors did not fully disclose information about the

ownership chain or refused to disclose such information.

In 2020, 10 meetings of the Commission on the Conflicts of

No conflict of interest was established among the members of the Board of Directors and executive bodies of the Company

3.13 Anti-Corruption Policy

At OGK-2, anti-corruption measures are implemented in strict compliance with the applicable Russian law:

- Federal Act No. 273-FZ dated December 25, 2008 "About Fighting Corruption";
- Decree of the President of the Russian Federation dated April 02, 2013 No. 309 "On the Measures Aimed at Implementation of Specific Provisions of the Federal Act "About Fighting Corruption";
- Order No. VP-P13-9308 of the Chairman of the Government of the Russian Federation dated December 28, 2011;
- departmental and local regulatory acts.

OGK-2 has standards and procedures developed to ensure the Company's responsible operations, including procedures adopted to identify and prevent corruption, including bribery of foreign officials.

Systematically and routinely measures are taken to ensure compliance with the corporate interests of the Company and minimize risks of economic damage. A set of measures has been developed and is implemented on a daily basis to identify, suppress and prevent corruption offenses and minimize their adverse consequences. Subject to the corporate procedures, control over the procurement operations arrangement, contractual work, continuous incoming control of goods and materials, as well as other activities aimed at ensuring

compliance of the Company's employees with the applicable law and local regulations are performed. No facts of corruption were detected following the results of 2020.

Since 2014, a hotline has been operating in Gazprom PJSC aimed at fighting fraud, corruption and theft in companies included in Gazprom Group. All appeals received through it are carefully checked and analyzed.

There was no reimbursement for expenses of the members of the Board of Directors and the Audit Commission in 2020

3.12 Conflict of interest prevention and resolution policy

To discover and prevent any conflicts of interest in OGK-2, the following measures are taken:

- analysis and systematization of information on the chain of contractors owners, including beneficial (as well as ultimate) owners are made, confirmation documents are mandatorily requested, according to which verification measures are taken to ensure the reliability of the information provided;

- the Commission on the Conflicts of Interest of OGK-2 is available whose members are approved by Order of OGK-2 JSC No. 141 dated May 23, 2019 subject to the Regulation about the Commission on the Conflicts of Interest (approved by Order No. 1307 dated December 03, 2014). Regulations on the Operating Procedure for Interaction with Contractors to Receive Information on the Chain of Owners, including Beneficiaries (as well as Ultimate Owners),

and/or on the Composition of the Contractor's Executive Bodies were approved at OGK-2 by order No. 926 dated September 22, 2014;

- To prevent the conflict of interest, potential candidates to fill in vacant positions in the Company, as well as employees of OGK-2 and their close relatives are examined in strict compliance with the applicable laws on personal data protection.

COMMISSION ON THE CONFLICT OF INTEREST

The Commission on the Conflicts of Interest includes 5 members. The Chairman is Deputy Managing Director of OGK-2 for Corporate Protection Mr. Igor Yuryevich Podkin.

The Commission main goals are:

- making decisions on transactions when the contractor does not disclose any information about the chain of owners in

full or refuses to disclose such information at all;

- making decisions to settle any conflict of interest in case they arise;

3.14 Shareholder value generation

OGK-2 is a securities market participant, whose shares are quoted on the Russian trading platform (Moscow Exchange PJSC) and who is aware that it is necessary to build relations with securities market participants, shareholders and other interested parties based on the principles of information transparency and openness. For this purpose, the Company regularly and fully informs all interested parties about its operations.

on the Regulation about OGK-2 Information Policy approved by the Board of Directors of the Company on September 07, 2009 (Minutes No. 3 dated September 10, 2009).

The Company discloses information subject to the requirements provided by the Russian law, Company Charter, as well as international corporate governance practices, based

When disclosing information to shareholders, investors and other interested parties, OGK-2 is guided by the following principles:

- Regularity and Promptness
- Information Availability
- Completeness and accuracy of the information disclosed
- Keeping a reasonable balance between the Company's openness and its commercial interests observance

AUTHORIZED CAPITAL AND SHAREHOLDER STRUCTURE

The authorized capital of OGK-2 as for December 31, 2020 amounts to 40,057,009,047.549 rubles and is divided into 110,441,160,870 ordinary registered uncertified shares with a nominal value of 0.3627 rubles each. The Company has not issued preferred shares.

Persons with non-zero balances on personal accounts recorded in the register of shareholders of OGK-2 JSC as for December 31, 2020: 307,721, where individuals are 306,959, legal entities being owners are 744, legal entities being nominal holders are 16 and legal entities being trustees are

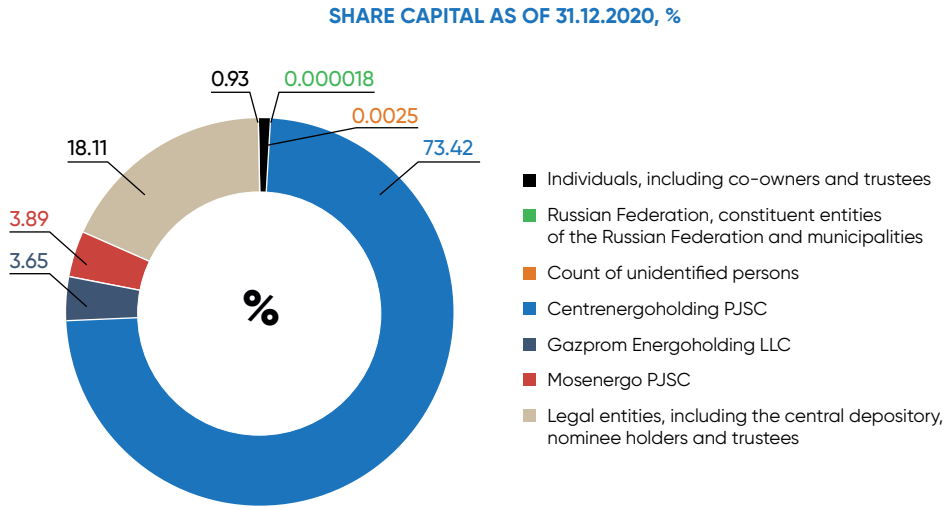
1, account of unidentified persons – 1. The Russian Federation, including the constituent entities of the Russian Federation and municipal entities, owns 0.000018% of OGK-2 shares.

The only legal entity with more than 5% of OGK-2 shares on its accounts as for December 31, 2020 is Centrenergoholding PJSC <sup>21</sup> (with a share in the authorized capital of 73.42% <sup>22</sup>). There are no individuals among the Company's shareholders who own more than 5% of OGK-2 shares.

The total beneficial ownership of

Gazprom Group companies in the authorized capital of OGK-2 is 81.14%. During 2020, there were no changes in the share capital amount and the structure of the main shareholders having the right to control at least 5% of the votes of OGK-2.

The total beneficial ownership of Gazprom Group companies in the authorized capital of OGK-2 is 81.14%. During 2019, there were no changes in the share capital amount and the structure of the main shareholders having the right to control at least 5% of the votes of OGK-2.



There are no treasury/quasi-treasury shares at OGK-2.

<sup>21</sup> It is controlled by Gazprom Energoholding LLC (99.591%, direct control) and Gazprom PJSC (indirect control).  
<sup>22</sup> The share of Centrenergoholding PJSC in the authorized capital of OGK-2 JSC recorded in its name in the Company's register of shareholders is 46.279 of the authorized capital of OGK-2 JSC, subject to the information received from DRAGA JSC (Company Registrar) as for December 31, 2020. The rest of the shares – 27.14% of OGK-2 shareholder capital, owned by Centrenergoholding PJSC, is registered in OGK-2 shareholder register for nominee shareholder.

SHARES

OGK-2 shares are traded on the main trading floor of the Russian stock market, Moscow Exchange MICEX-RTS PJSC. Trading by OGK-2 shares has been performed since July 2006 on such stock exchanges as MICEX Stock Exchange CJSC and RTS OJSC. On November 06, 2009, the Company's

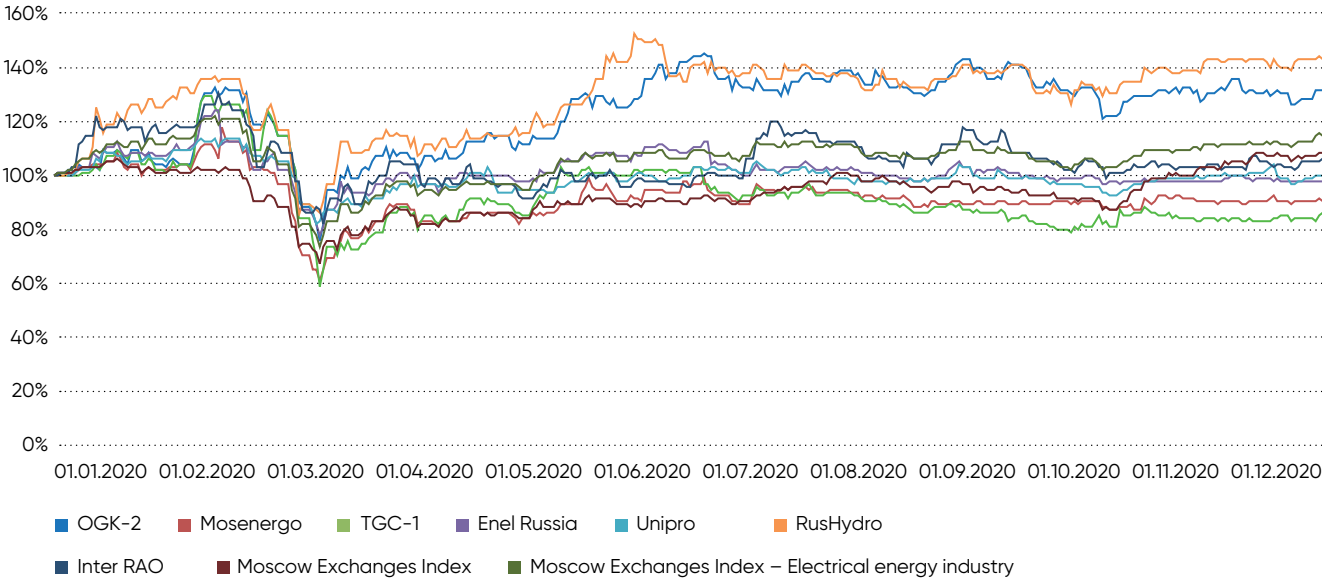
shares were included in the First-Level Quotation List A of MICEX Stock Exchange CJSC. On May 28, 2013, the Company's shares were transferred from the First-Level Quotation List A to the Quotation List B of the list of securities admitted to trading at Moscow Exchange PJSC. On June 09,

2014, the listing reform resulted in the transfer of the Company's shares to the Second Level.

OGK-2 shares are included in the calculation base of the electric power sector index, with a share weight of 5.57%.

Nº	Registered Share Issues OGK-2	Date of Issue Registration	State Registration Number	Amount of Ordinary Shares in the Issue	Nominal Value, rub.
1.	Principal Issue	May 11, 2005	1-01-65105-D	10,769,803,935	1.0
2.	First Issue	March 21, 2006	1-01-65105-D-001D	14,547,265,563	1.0
3.	Second Issue	August 31, 2006	1-01-65105-D-002D	44,857,010	1.0
4.	Third Issue	August 31, 2006	1-01-65105-D-003D	88,257,396	1.0
5.	Fourth Issue	August 31, 2006	1-01-65105-D-004D	621,543,725	1.0
6.	Fifth Issue	August 31, 2006	1-01-65105-D-005D	409,168,128	1.0
7.	Sixth Issue	August 31, 2006	1-01-65105-D-006D	61	1.0
8.	Principal Issue (upon Conversion)	April 19, 2007	1-02-65105D	26,480,895,818	0.3627
9.	First Issue	August 07, 2007	1-02-65105-D-001D	6,252,026,095	0.3627
10.	Second Issue	April 01, 2008	1-02-65105-D-002D	1,452,433	0.3627
11.	Third Issue	April 01, 2008	1-02-65105-D-003D	194,036	0.3627
12.	Fourth Issue	August 25, 2011	1-02-65105-D-004D	26,593,358,578	0.3627
13.	Fifth Issue	August 30, 2012	1-02-65105-D-005D	51,113,233,910	0.3627
Total shares outstanding				110,441,160,870	0.3627

COMPARATIVE DYNAMICS OF THE STOCK PRICE OF OGK-2 JSC, COMPANIES OF PEERS AND MAJOR INDICES





to Bloomberg, in 2020, the market price of one share of OGK-2 increased by 29.7% from 0.563 rubles (closing price as for December 30, 2019) up to 0.7300 rubles (closing price as for December 30, 2020).

At the same time, over the year, the Moscow Exchange Index grew by 7.9% from 3,045.87 points as for December 30, 2019 to 3,289.02 points as for December 30, 2020. During 2020, the sector index of electric power industry increased by 14% from 2,010.99 points

to 2,292.46 as for December 30, 2020. Thus, the dynamics of OGK-2 share prices in 2020 significantly outperformed the dynamics of similar companies in the electric power sector and the main indices in general.

Growth in Analytical Coverage: Veles Capital started covering OGK-2 from December 2020, and Raiffeisenbank has covered OGK-2 since February 2021

Investment banks analysts consider high dividend yields to be the main positive driver for companies of the electric power sector in 2020-2021.

OGK-2 is not an exception. The growing interest of analysts and investors in the company is confirmed by an increase in analytical coverage:

Veles Capital started covering OGK-2 from December 2020, and Raiffeisenbank has covered OGK-2 since February 2021.

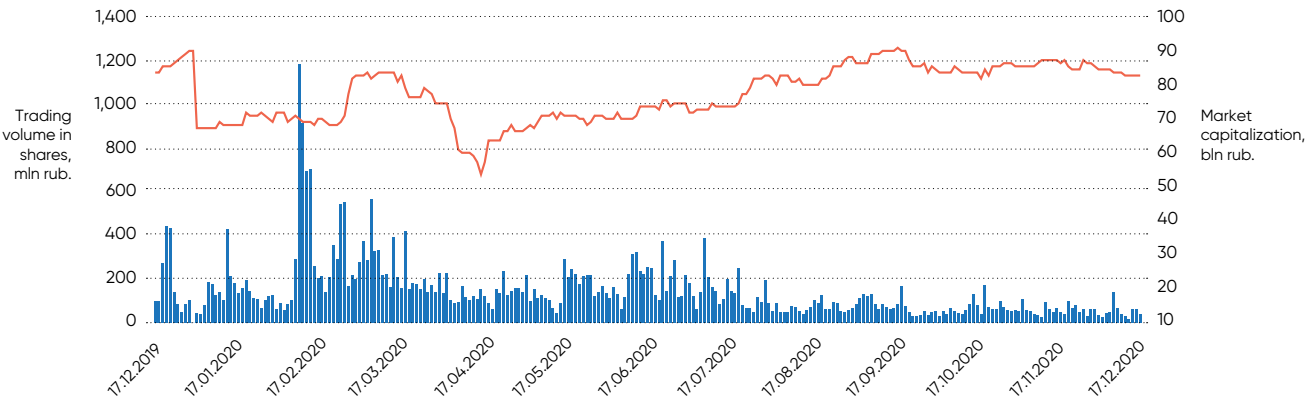
19% free-float coefficient of OGK-2

OGK-2 free-float coefficient calculated subject to the Methods

for Calculating Free-Float Coefficient approved by Moscow Exchange PJSC

(Minutes No. 12 dated March 16, 2018) is 19%.

DYNAMICS OF OGK-2 SHARES TRADING ON THE MICEX



DEPOSITORY RECEIPTS

A part of the shares of OGK-2 is circulated outside the Russian Federation through circulation subject to foreign law of foreign issuers securities, certifying the rights in respect of the said shares.

UES of Russia RJSC, which, after its liquidation, received the securities of the allocated companies pro rata their stock in the holding. Deutsche Bank Trust Company Americas was selected a depository bank of OGK-2.

amount of 8,400,000,000 (eight billion four hundred million) shares. 1 GDR corresponds to 100 shares. Number of GDRs as of December 31, 2020: 119,373 GDRs under Regulation S and 9926 under Rule 144A.

The program of Global Depository Receipts (GDR) for OGK-2 shares was launched in October 2007. The program was opened under Regulation S and Rule 144A. Each depository receipt certifies the right to 100 Company's registered ordinary shares. The program was initiated to ensure the enforcement of the rights of the depository receipts holders of

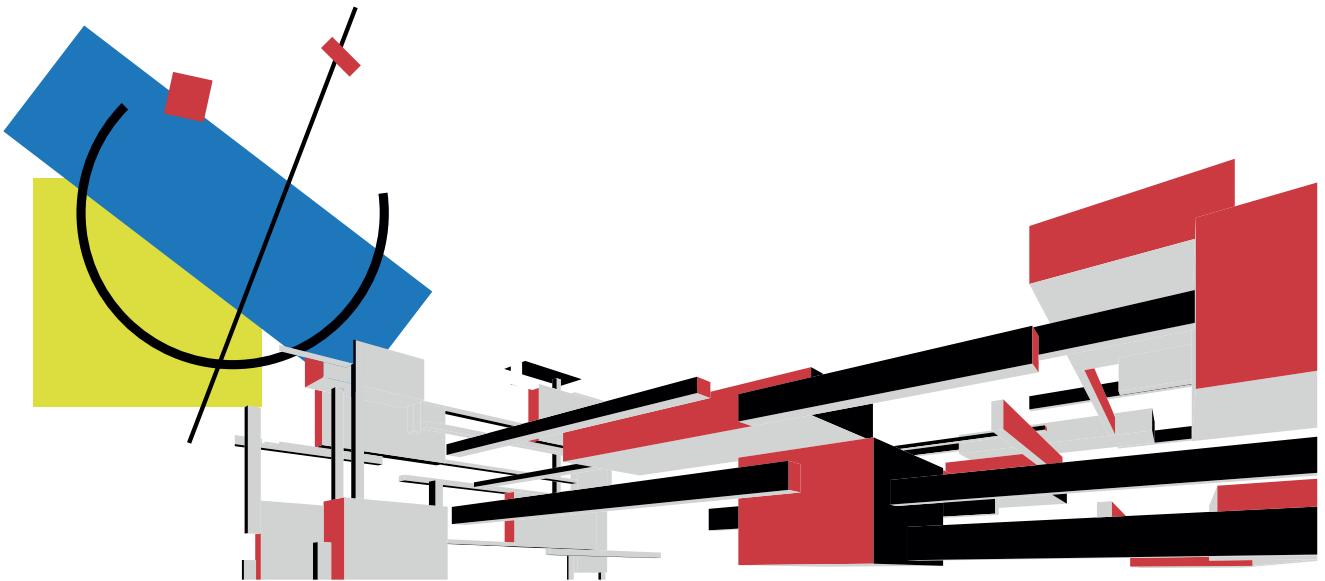
Information on receiving the permission from the Federal Commission for the admission of shares of this category (type) to circulation outside the Russian Federation: Order of the FFMS of Russia dated August 07, 2007 No. 07-1737/pz-n for ordinary registered uncertified shares of OGK-2 JSC with a nominal value of 0.3627 rubles in the

BONDS

As for December 31, 2020, OGK-2 has three bond loans in circulation.

Issue Identification Number	Date of Placement	Date of Redemption	Coupon Rate	Coupon Profit Rate by Periods
1P3R	April 06, 2018	March 31, 2023*	6.95%	Coupons 1 to 6 – 6.95% Coupons 7 to 10 will be determined in the manner prescribed by Para. 9.3. of the Exchange-Traded Bond Program (Identification Number 4-65105-D-001P-02E dated September 28, 2015, assigned by MICEX Stock Exchange CJSC)
2P01	July 15, 2020	July 08, 2026**	5.75%	Coupons 1 to 6 – 5.75% Coupons 7 to 12 will be determined subject to Para. 9.3. of the Exchange-Traded Bond Program for Series 002P (Identification Number 4-65105-D-002P-02E dated October 18, 2016, assigned by MICEX Stock Exchange CJSC)
3P01	December 29, 2020	March 28, 2023	4.25%	1 coupon – 4.25% The rate for coupons 2-9 will be determined subject to Para. 6.3. of the Exchange-Traded Bond Program for Series 003P (4-65105-D-003P-02E dated December 22, 2020, assigned by MICEX Stock Exchange CJSC)

\* Date of Redemption. subject to Para. 9.5.1 of the Terms of Issue of Exchange-Traded Bonds of OGK-2 JSC, there is a list of cases of the possibility of early repayment at the request of bond owners.  
\*\* Date of Redemption. subject to Para. 5.6.1 of the Decision on the securities issue of OGK-2 JSC, there is a list of cases of the early repayment possibility at the request of bond owners.



CREDIT RATINGS <sup>23</sup>

On October 27, 2020, Fitch Ratings enhanced/confirmed:

- long-term issuer default ratings (IDRs) of OGK-2 in foreign and

local currencies from level BBB- with Stable outlook to level BBB- with Positive outlook;

- short-term issuer default ratings (IDRs) of OGK-2 in foreign and local currencies from F3 level to F3 level.

Date	Rating Type	Assigned Rating Value	Name of organization that assigned rating
October 27, 2020	long-term IDRs of OGK-2 in foreign and local currencies	BBB-, Positive outlook	Fitch Ratings CIS Ltd.
October 27, 2020	short-term issuer default ratings (IDRs) of OGK-2 in foreign and local currencies	F3	Fitch Ratings CIS Ltd.

On December 24, 2020, Expert RA Rating Agency increased:

- credit rating up to level ruAAA with Stable outlook from level ruAA+ with Stable outlook.

Date	Rating Type	Assigned Rating Value	Name of organization that assigned rating
December 24, 2020	Credit Rating	ruAAA, Stable outlook	Expert RA Rating Agency Joint Stock Company

SECURITIES RATINGS <sup>23</sup>

On October 27, 2020, Fitch Ratings assigned/confirmed:

- long-term rating of priority unsecured bonds in national currency (bond loan series 001P-01R, Registration Number 4B02-01-65105-D-001P, ISIN RU000A0JVYN4, Identification

Number assignment date: November 18, 2015; bond loan series 001P-02R, Registration Number 4B02-02-65105-D-001P, ISIN RU000A0JVYP9, Identification Number assignment date: November 18, 2015; bond loan series 001P-03R, Registration Number 4B02-03-65105-D-001P,

ISIN RU000A0ZZ1H2, Identification Number assignment date: April 02, 2018; bond loan series 002P-01 Registration Number 4B02-01-65105-D-002P, registration date: July 09, 2020, ISIN: RU000A101WRO) up to BBB- from BBB-.

Date	Rating Type	Assigned Rating Value	Name of organization that assigned rating
October 27, 2020	long-term rating of priority unsecured bonds in national currency	BBB-	Fitch Ratings CIS Ltd.

On January 16, 2020, Expert RA Rating Agency Joint Stock Company increased:

- credit rating of the debt instrument (bond loan series 001P-01R, Registration Number 4B02-01-65105-D-001P, ISIN RU000A0JVYN4, Identification Number assignment date: November 18, 2015; bond loan series 001P-02R, Registration Number 4B02-02-65105-D-001P, ISIN RU000A0JVYP9, Identification Number assignment date: November 18, 2015; bond loan

series 001P-03R, Registration Number 4B02-03-65105-D-001P, ISIN RU000A0ZZ1H2, Identification Number assignment date: April 02, 2018) up to the level ruAA+ from ruAA.

On July 15, 2020, Expert RA Rating Agency Joint Stock Company assigned:

- credit rating to the debt instrument (bond loan series 002P-01 of OGK-2 JSC, registration number 4B02-01-65105-D-002P, registration

date: July 09, 2020, ISIN RU000A101WRO) at the level ruAA+.

Date	Rating Type	Assigned Rating Value	Name of organization that assigned rating
January 16, 2020	credit rating to the debt instrument	ruAA+	Expert RA Rating Agency Joint Stock Company
July 15, 2020	credit rating to the debt instrument	ruAA+	Expert RA Rating Agency Joint Stock Company

DIVIDENDS

OGK-2 dividend policy (approved by the Board of Directors on August 30, 2017, Minutes No. 178 dated August 30, 2017) was developed subject to the current Russian law, the Corporate Governance Code recommended by the Central Bank of Russia, as well as the Company's Charter and internal documents. The dividend policy defines the principles used by the Board of Directors of OGK-2 in preparing recommendations to the General Meeting of Shareholders to make decisions on the profit distribution, including the payment of dividends.

The Charter of OGK-2 stipulates that the Company has the right, based on the results of the first quarter, six months, nine months of the financial year and (or) based on the results of the financial year, to make decisions on (declare) the payment of dividends on placed shares, unless otherwise provided by Federal Act "About Joint Stock Companies".

To make a decision on the payment of dividends, the OGK-2 Board of Directors submits recommendations on the amount of dividends for consideration to the General Meeting

of Shareholders. Dividends are paid after a decision is made by the General Meeting of Shareholders.

**In August 2017, the Board of Directors of OGK-2 approved the Dividend Policy Regulation as amended. The new document removes the threshold restrictions on the payment of dividends in the amount of 5–35% of the profit (according to RAS). This allows to potentially increase the share of profit allotted for the dividends payment as well as link the calculation of the amount of dividends to the share of profit calculated according to international standards (IFRS)**

<sup>23</sup> Detailed information on the current credit ratings of the Company is represented at OGK-2 web-site ([https://www.ogk2.ru/rus/si/subject/informatsiya\\_o\\_reytingakh/](https://www.ogk2.ru/rus/si/subject/informatsiya_o_reytingakh/))

As stipulated by the Dividend Policy of OGK-2, the calculation of dividends is based on the amount of the Company net profit reflected in the annual financial statement prepared subject to the requirements of the Russian law. When calculating the amount of dividends, the following principles are observed:

- transparency of the mechanism for determining the amount of dividends;
- balance of short-term (income generation) and long-term (Company development) interests of shareholders;
- focus on increasing the investment attractiveness and capitalization of the Company.

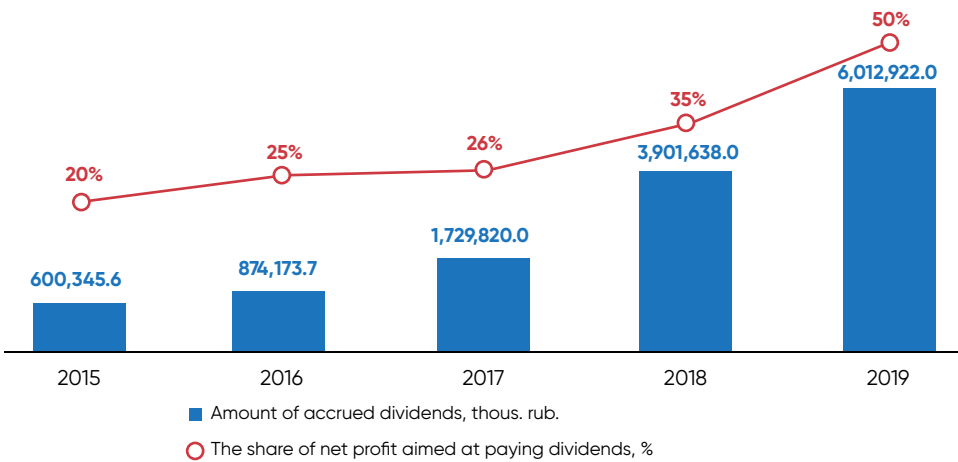
The Company has the right to make a decision on (declare) the payment of dividends on shares and make their payment subject to the restrictions established by Article 43 of Federal Act "About Joint Stock Companies".

The term for the payment of dividends to the nominee holder and to the trustee who is a professional participant in the securities market, which are recorded in the Company's register of shareholders shall not exceed 10 working days, and to other persons recorded in the Company's register of shareholders – 25 working days from the date on which persons having the right to receive dividends are determined. The date chosen by the decision on the payment (declaration) of dividends for the determination of persons entitled to receive them cannot be set earlier than 10 days from the date of the decision on the payment (declaration) of dividends or later than 20 days from the date of such decision.

Subject to the Company's Charter, a person who has not received declared dividends due to the fact that the Company or the Registrar do not have accurate and necessary address information or bank details, or due to another delay of the creditor, has the right to request the payment of

such dividends (unclaimed dividends) within three years as of the date of the decision making to pay thereof. After such term expiration, declared and unclaimed dividends are restored as part of the retained earnings of the Company, and the obligation of their payment terminates.

DIVIDEND HISTORY (RAS)



INTERACTION WITH INVESTORS AND SHAREHOLDERS

OGK-2 is working actively to interact with stock market participants and improve information disclosure. The company's representatives are in constant dialogue with analysts from investment banks and hold conference calls with analysts and investors at least twice a year as part

of the IFRS reporting disclosure. The Regulations on Information Policy and the Regulations on Information Disclosure of OGK-2 JSC define the procedure for interaction with shareholders, investors and media representatives. Pursuant to Russian best practices, these Regulations

provide for an extended list of information to be disclosed by the company and identify an appropriate structural division responsible for disclosing relevant and correct information. Information is disclosed on the Company's website and in the news feed <https://e-disclosure.ru/>.

INFORMATION ON THE DIVIDEND HISTORY OF OGK-2

Dividend Payment Period	Date of the meeting of shareholders making the resolution to pay dividends	Amount of declared dividends per an ordinary share	Total amount of declared dividends		Amount of paid dividends	Amount of paid dividends, % of IFRS net profit	Amount of paid dividends, % of RAS net profit	Date when the persons entitled to receive dividends are determined, subject to the decision to pay (declare) dividends
2019	June 24, 2020	0.0544445744 rub.	6,012,922 thous. rub.		6,009,816,495.19 rub.	50%	51%	July 10, 2020
2018	June 11, 2019	0.036784587 rub.	3,901,638 thous. rub.		3,899,378,440.31 rub.	47%	35%	June 28, 2019
2017	June 26, 2018	0.016319020075 rub.	1,729,820 thous. rub.		1,724,412,856.33 rub.	24%	26%	July 10, 2018
2016	June 02, 2017	0.00825304739908 rub.	874,173.6 thous. rub.		870,498,862.24 rub.	29%	25%	June 20, 2017
2015	June 08, 2016	0.00567376233395 rub.	600,345.7 thous. rub.		597,869,109.47 rub.	23%	20%	June 20, 2016

During the reporting period, seven analysts from leading investment banks provided for analytical coverage of the Issuer

Key Shareholder and Investor Interaction Activities:

- A conference call with analysts and investors as part of the 2019 reporting disclosure under IFRS;
- A conference call with analysts and investors as part of the 6M 2020 reporting disclosure under IFRS;
- Participation of the OGK-2 management in the Moscow Exchange International Investment Forum (the Exchange Forum was organized jointly with Sberbank CIB).

In 2020, analysts were primarily interested in the following issues<sup>24</sup>:

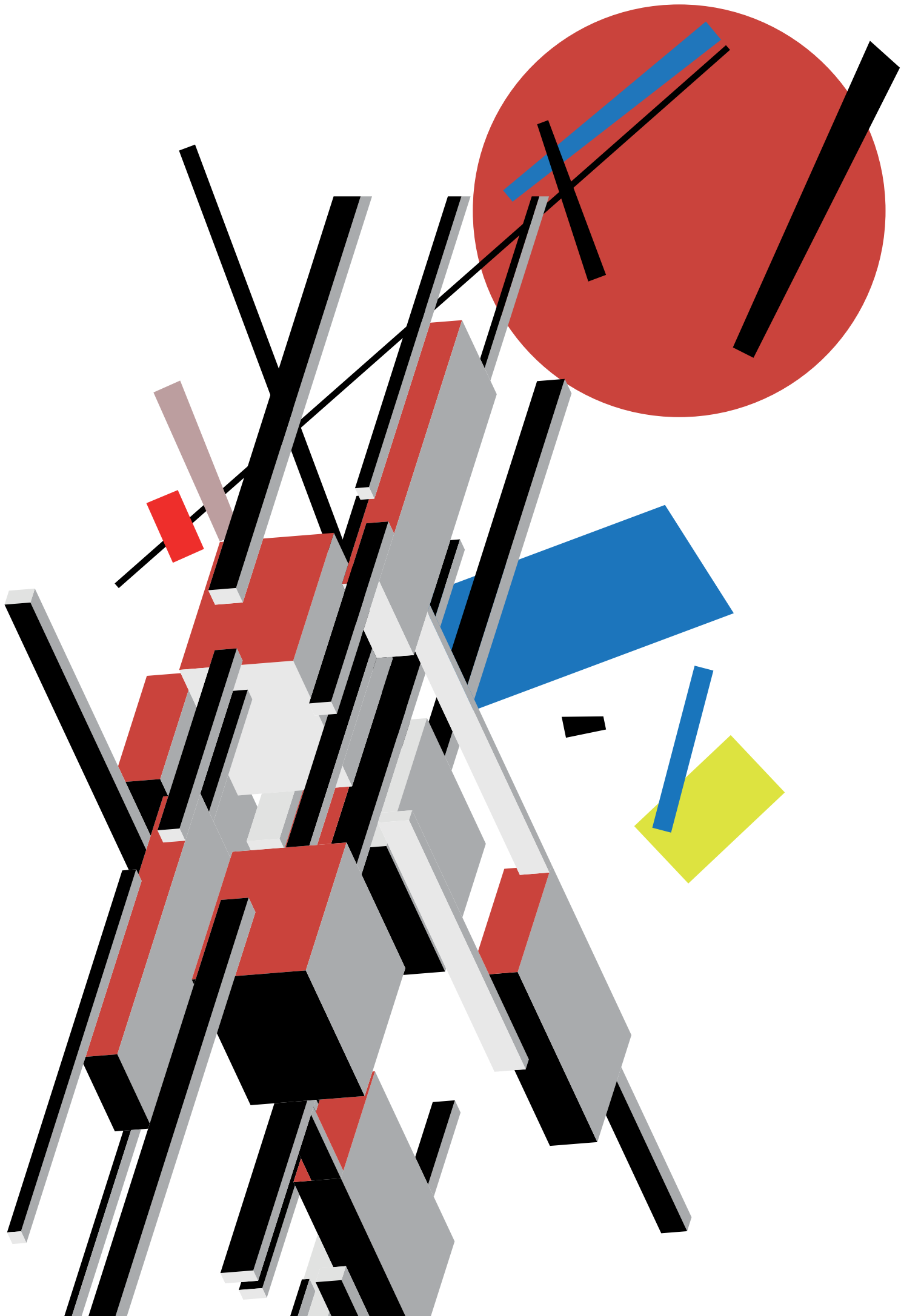
- the amount of net profit to be allocated to the payment of dividends following the results of 2020;
- the Company's intention to participate in the CCTMod program and the list of equipment specified;
- expectations for amount of CAPEX and EBITDA in 2020;
- the Company's plans to purchase and sell assets.

INVESTOR'S CALENDAR FOR 2021

March 5	Publication of the audited IFRS financial statements for 2020
April	Analyst's and Investor's Day at Gazprom Energoholding Group
June	Annual General Meeting of Shareholders
August	Publication of IFRS financial statements for 6M 2021
December	Energy Day at Gazprom Energoholding Group

More information on the events carried out by OGK-2 for shareholders and investors is available on the Company's web-site at: <https://www.ogk2.ru/rus/si/subject/>.

<sup>24</sup> Responses to the questions submitted are available in the section «Answers to significant questions from stakeholders».





# 4. FINANCIAL STATEMENTS

4.1 Financial statements of OGK-2  
for 2020 in accordance with IFRS ..... 156



The plane is cloacked with darkness,  
Horizon is not seen,  
At last the moon is shining in the sky of grey,  
The Lord summoned this light.  
Under the wings of the plane in the night  
There're constellations of energy workers,  
All over the land.

**Tagir Nurmukhametov,**  
Head of metals laboratory at  
Troitskaya GRES

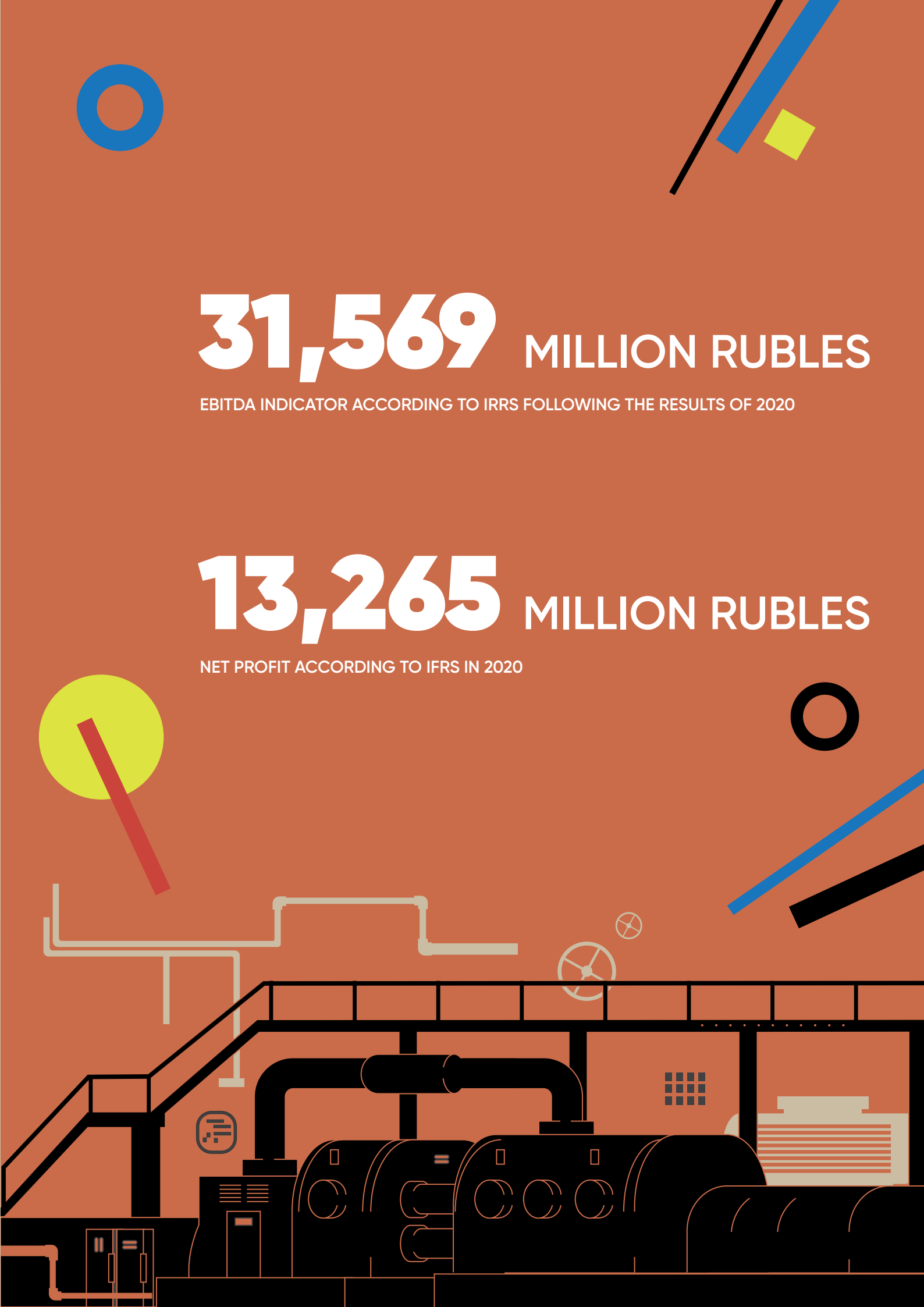


**31,569** MILLION RUBLES

EBITDA INDICATOR ACCORDING TO IRRS FOLLOWING THE RESULTS OF 2020

**13,265** MILLION RUBLES

NET PROFIT ACCORDING TO IFRS IN 2020



## 4.1 Financial statements of OGK-2 for 2020 in accordance with IFRS<sup>1</sup>



Tel: +7 495 797 56 65  
Fax: +7 495 797 56 60  
reception@bdo.ru  
www.bdo.ru

BDO Unicon AO  
Suite 50, Office I, 3<sup>rd</sup> Floor, Section 11,  
Block 1, Bldg. 125, Warshavskoe Shosse,  
Moscow, 117587, Russia

Translation from the Russian original

### INDEPENDENT AUDITOR'S REPORT

To the Shareholders of JSC "OGK-2"

#### Opinion

We have audited the consolidated financial statements of JSC "OGK-2" (the Company) (OGRN 1052600002180, Solnechnodolsk Village, Izobilnensky District, Stavropolsky Region, 356126) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements for the year ended 31 December 2020, which comprise a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Russian Federation, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

<sup>1</sup> The full version of the consolidated financial statements is available on the Company's website:  
<https://www.ogk2.ru/eng/investors/financial-results/>

Translation from the Russian original

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Estimation of allowance for doubtful debts

We paid special attention for determining the allowance for doubtful debts because the appraisal process is a complex process that involves management's use of significant judgments.

Our audit procedures for management estimates in respect of accounts receivable impairment have included:

- review of the application of the "expected credit losses" model in relation of the Group's accounts receivable;
- review of the aggregation of the trade receivables based on the general credit risk characteristics, type of debt and terms of delay;
- review of the calculation of the expected rates of losses for accounts receivable based on the historical data.

The results of applying the "expected credit losses" model for the Group's receivables are presented in Note 9 to the consolidated financial statements.

#### Assessment of impairment of property, plant and equipment

At each reporting date, the Group checks for signs of impairment of property, plant and equipment and, if necessary, conducts appropriate testing. This annual impairment test was significant to our audit because the impairment test is a complex process that involves management's use of significant judgments and is based on assumptions that are influenced by projected future market and economic conditions that are inherently are indeterminate.

Our audit procedures included checking the initial data for the test and analysis of cash flows, to which the results of the impairment test are the most sensitive and which have the most significant effect on determining the recoverable amount of property, plant and equipment.

The results of the impairment test and the key assumptions used are presented in Note 6 to the consolidated financial statements.



## Other Information

Managing Director of the Company (management) is responsible for the other information. The other information comprises the information included in the Annual report and Issuer's quarterly report for the 1<sup>st</sup> quarter of 2021, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report and Issuer's quarterly report for the 1<sup>st</sup> quarter of 2021 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report and Issuer's quarterly report for the 1<sup>st</sup> quarter of 2021, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Responsibilities of *Management and Those Charged with Governance* for the Consolidated Financial Statements**

Managing Director of the Company is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Translation from the Russian original

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The translation is true and correct.

Signed by:

The engagement partner on the audit resulting in this independent auditor's report is



A.B. Baliakin

Audit company:

BDO Unicon Aktsionernoe Obshchestvo

Main State Registration Number: 1037739271701

Suite 50, Office I, 3rd Floor, Section 11, Block 1, Bldg. 125, Warshavskoye Shosse, Moscow, 117587, Russia

Member of the Self-regulatory organization of auditors Association "Sodruzhestvo"

Principal Registration Number of the Entry in the State Register of Auditors and Audit Organisations: 12006020340

5 March 2021

**OGK-2 Group**  
**Consolidated Statement of Financial Position as at 31 December 2020**  
(in millions of Russian Roubles)



	Notes	31 December 2020	31 December 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	160,851	162,476
Intangible assets	7	376	442
Investments in associates	11	20,824	20,000
Accounts receivable and prepayments	9	440	563
Deferred tax assets	20	3	466
Other non-current assets	19	470	507
<b>Total non-current assets</b>		<b>182,964</b>	<b>184,454</b>
<b>Current assets</b>			
Inventories	12	14,248	13,486
Accounts receivable and prepayments	9	11,934	12,459
Income tax receivable		13	9
Cash and cash equivalents	13	7	92
Financial assets	10	15,265	9,722
		<b>41,467</b>	<b>35,768</b>
Assets held for sale	8	-	5,681
<b>Total current assets</b>		<b>41,467</b>	<b>41,449</b>
<b>TOTAL ASSETS</b>		<b>224,431</b>	<b>225,903</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	14	40,057	40,057
Share premium	14	26,846	26,846
Retained earnings and other reserves		77,726	70,423
<b>Equity attributable to the shareholders of JSC "OGK-2"</b>		<b>144,629</b>	<b>137,326</b>
Non-controlling interest		16	15
<b>Total equity and reserves</b>		<b>144,645</b>	<b>137,341</b>
<b>Non-current liabilities</b>			
Borrowings	15	38,877	33,246
Employee benefit liabilities	19	1,893	2,047
Accounts payable and other liabilities	16	7,094	1,613
Lease liabilities		478	597
Provisions	18	1,640	1,171
Deferred income tax liabilities	20	11,372	12,668
<b>Total non-current liabilities</b>		<b>61,354</b>	<b>51,342</b>
<b>Current liabilities</b>			
Borrowings	15	6,065	19,385
Accounts payable and other liabilities	16	10,852	15,205
Current income tax payable		688	141
Other taxes payable	17	620	2,304
Lease liabilities		207	185
<b>Total current liabilities</b>		<b>18,432</b>	<b>37,220</b>
<b>Total liabilities</b>		<b>79,786</b>	<b>88,562</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>224,431</b>	<b>225,903</b>

Managing Director

Chief Accountant



A.V. Semikolenov

L.V. Klishch

5 March 2021

The accompanying notes on pages 12 to 52 are an integral part of these consolidated financial statements.



**OGK-2 Group**  
**Consolidated Statement of Comprehensive Income**  
**for the year ended 31 December 2020**  
(in millions of Russian Roubles)



	Notes	Year ended 31 December 2020	Year ended 31 December 2019
Revenues	21	120,687	134,579
Operating expenses	22	(101,501)	(116,285)
Impairment loss on financial assets		(802)	(456)
<b>Operating profit</b>		<b>18,384</b>	<b>17,838</b>
Finance income	23	896	1,122
Finance expenses	23	(2,942)	(3,906)
Share of profit of associates	11	824	-
<b>Profit before income tax</b>		<b>17,162</b>	<b>15,054</b>
Income tax expense	20	(3,897)	(3,029)
<b>Profit for the year</b>		<b>13,265</b>	<b>12,025</b>
<b>Other comprehensive income / (expense):</b>			
<i>Items that will not be reclassified subsequently to profit or loss, net of tax:</i>			
Remeasurements of defined benefit pension plans	19, 20	49	(271)
<b>Total comprehensive income for the year</b>		<b>13,314</b>	<b>11,754</b>
<b>Profit for the year attributable to:</b>			
Shareholders of JSC «OGK-2»		13,264	12,022
Non-controlling interest		1	3
<b>Total comprehensive income for the year attributable to:</b>			
Shareholders of JSC «OGK-2»		13,313	11,751
Non-controlling interest		1	3
<b>Earnings per ordinary share attributable to the shareholders of JSC «OGK-2» – basic and diluted (in Russian Roubles)</b>			
	24	0.12	0.11

Managing Director

A.V. Semikolenov

Chief Accountant

L.V. Klishch

5 March 2021



**OGK-2 Group**  
**Consolidated Statement of Cash Flows for the year ended 31 December 2020**  
(in millions of Russian Roubles)



	Notes	Year ended 31 December 2020	Year ended 31 December 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
<b>Profit before income tax</b>		<b>17,162</b>	<b>15,054</b>
Adjustments to reconcile profit before income tax:			
Depreciation and amortisation	22	13,185	13,365
Impairment loss on financial assets		802	456
Impairment loss on non-financial assets	6, 22	2,437	4,321
Share of profit of associates	11	(824)	-
(Gain) / loss on disposal of property, plant and equipment, other non-current assets and assets held for sale	22	(4,223)	202
Non-state pensions	22	(89)	134
Finance income	23	(896)	(1,122)
Finance expenses	23	2,942	3,906
Change in provisions		368	(78)
Other non-cash items		919	(13)
<b>Operating cash flows before working capital changes</b>		<b>31,783</b>	<b>36,225</b>
<b>Working capital changes:</b>			
Change in accounts receivable and prepayments		(542)	(672)
Change in inventories		(85)	(1,794)
Change in accounts payable and other liabilities		(4,008)	2,337
Change in other taxes payable		(1,684)	(611)
Change in employee benefit liabilities		(59)	(128)
<b>Working capital changes</b>		<b>(6,378)</b>	<b>(868)</b>
Income tax paid		(4,194)	(3,406)
Interest paid		(2,342)	(4,066)
<b>Net cash from operating activities</b>		<b>18,869</b>	<b>27,885</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment, intangible assets and other non-current assets		(6,910)	(9,092)
Proceeds from sale of property, plant and equipment and other non-current assets		9,694	10
Loans issued		(5,507)	(12,199)
Proceeds from loans issued		-	2,852
Capitalised interest paid		-	(368)
Interest received		490	1,074
Dividends received		24	-
Business acquisition of subsidiaries, net of cash acquired		(2,784)	(1,061)
Increase in deposits		-	(3,000)
Proceeds from deposits		-	6,000
Investment in associate		-	(20,000)
<b>Net cash used in investing activities</b>		<b>(4,993)</b>	<b>(35,784)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from borrowings		32,043	36,050
Repayment of borrowings		(39,788)	(30,463)
Repayment of lease liabilities		(228)	(178)
Dividend paid to shareholders of JSC «OGK-2»		(5,988)	(3,886)
<b>Net cash (used in) / from financing activities</b>		<b>(13,961)</b>	<b>1,523</b>
Effect of exchange rate changes on cash and cash equivalents		-	(110)
<b>Net decrease in cash and cash equivalents</b>		<b>(85)</b>	<b>(6,486)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	13	<b>92</b>	<b>6,578</b>
<b>Cash and cash equivalents at the end of the year</b>	13	<b>7</b>	<b>92</b>

Managing Director

A.V. Semikolenov

Chief Accountant

L.V. Klishch

5 March 2021



The accompanying notes on pages 12 to 52 are an integral part of these consolidated financial statements.

**OGK-2 Group**  
**Consolidated Statement of Changes in Equity for the year ended 31 December 2020**  
(in millions of Russian Roubles)



Equity attributable to the shareholders of JSC "OGK-2"								
	Notes	Share capital	Treasury shares	Share premium	Retained earnings and other reserves	Total	Non-controlling interest	Total equity
<b>At 1 January 2019</b>		<b>40,057</b>	<b>(3,707)</b>	<b>28,379</b>	<b>62,587</b>	<b>127,316</b>	<b>-</b>	<b>127,316</b>
Profit for the year		-	-	-	12,022	12,022	3	12,025
<b>Other comprehensive expense:</b>								
Remeasurements of defined benefit pension plans, net of tax	19, 20	-	-	-	(271)	(271)	-	(271)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>11,751</b>	<b>11,751</b>	<b>3</b>	<b>11,754</b>
<b>Transactions with shareholders recognized directly in equity:</b>								
Dividends	14	-	-	-	(3,901)	(3,901)	-	(3,901)
Restoration of unclaimed dividends		-	-	-	2	2	-	2
Acquisition of businesses under common control		-	-	-	(16)	(16)	12	(4)
Transfer of treasury shares	14	-	3,707	(1,533)	-	2,174	-	2,174
<b>At 31 December 2019</b>		<b>40,057</b>	<b>-</b>	<b>26,846</b>	<b>70,423</b>	<b>137,326</b>	<b>15</b>	<b>137,341</b>
<b>At 1 January 2020</b>		<b>40,057</b>	<b>-</b>	<b>26,846</b>	<b>70,423</b>	<b>137,326</b>	<b>15</b>	<b>137,341</b>
Profit for the year		-	-	-	13,264	13,264	1	13,265
<b>Other comprehensive income:</b>								
Remeasurements of defined benefit pension plans, net of tax	19, 20	-	-	-	49	49	-	49
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>13,313</b>	<b>13,313</b>	<b>1</b>	<b>13,314</b>
<b>Transactions with shareholders recognized directly in equity:</b>								
Dividends	14	-	-	-	(6,013)	(6,013)	-	(6,013)
Restoration of unclaimed dividends		-	-	-	3	3	-	3
<b>At 31 December 2020</b>		<b>40,057</b>	<b>-</b>	<b>26,846</b>	<b>77,726</b>	<b>144,629</b>	<b>16</b>	<b>144,645</b>

Managing Director

Chief Accountant



A.V. Semikolenov

L.V. Klishch

5 March 2021



# 5. APPENDICES

5.1

Additional statistical information

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5.2

Contacts and details

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44,247.3 million kW/h

GENERATION OF ELECTRICITY IN 2020

5,586.9 thousand Gcal

NET SUPPLY OF THERMAL ENERGY IN 2020



27%

INSTALLED CAPACITY UTILIZATION FACTOR (ICUF) IN 2020



## 5.1 Additional Statistical Information

### INFORMATION ABOUT POWER PLANTS

#### INFORMATION ABOUT POWER PLANTS AS FOR DECEMBER 31, 2020\*

Power Plant	Installed Electric Capacity, MW	Installed Thermal Capacity (including Boilers), Gcal/h	Geographical Location	Main / Reserve / Supplementary Fuel
Surgutskaya GRES-1	3,333	903	Ural UPS	Gas / gas / -
Ryazanskaya GRES	3,020	212.5	Central UPS	Gas, coal / fuel oil / gas, fuel oil
Kirishskaya GRES	2,555	1,070	North-Western UPS	Gas / fuel oil / -
Stavropolskaya GRES	2,423	145	Southern UPS	Gas / fuel oil / -
Novocherkasskaya GRES	2,258	60	Southern UPS	Coal / gas / gas, fuel oil
Troitskaya GRES	1,321	210	Ural UPS	Coal / - / fuel oil
Cherepovetskaya GRES	1,080	39	Central UPS	Coal, gas / gas / gas, fuel oil
Serovskaya GRES	451	0	Ural UPS	Gas / - / -
Pskovskaya GRES	440	116.8	North-Western UPS	Gas / gas / -
Adlerskaya TPP	367	70.4	Southern UPS	Gas / - / -
Groznenskaya TPP	360	0	Southern UPS	Gas / - / -
<b>Total (exclusive of KrGRES-2):</b>	<b>17,608</b>	<b>2,826.7</b>		

\* A full description of the main equipment of OGK-2 JSC is given in Appendix 5.

#### SURGUTSKAYA GRES-1

Surgutskaya GRES-1 is located in the Kedrov settlement of Surgut, Khanty-Mansi Autonomous District – Yugra. The plant consists of 16 steam-power

units: 13 condensing units and 3 co-generation units.

Competitive environment: Nizhnevartovskaya GRES (Inter RAO Power Generation JSC), Surgutskaya GRES-2 (Unipro PJSC), Nyaganskaya GRES (Fortum PJSC).

Key Indicators	2020
Generation of electric power, million kW*h	15,994.2
Net electric power supply, million kW*h	15,116.5
Heat supply, thous. Gcal	1,557.3
Net supply of thermal power, thousand Gcal	1,542.8
ICUF, %	54.6
Staff number, persons	934

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	100.00	205.5 mln m <sup>3</sup>	4,294.7 mln m <sup>3</sup>
Coal	-	-	-
Fuel Oil	-	-	-
Diesel fuel	-	-	-

#### RYAZANSKAYA GRES

Ryazanskaya GRES is located in Novomichurinsk, Pronsky District, Ryazan Region.

The power plant includes:

- 4 pulverized-coal condensing steam-power units capable of supplying heat to consumers. Power Unit No. 2 is a facility under the CSA program;
- 2 gas-and-oil-fired condensing steam-power units capable of supplying heat to consumers;
- one CCGT unit capable of supplying heat to consumers. On September 01, 2020, the GTE-110 was decommissioned;
- 2 hot water boilers supplying heat to consumers when the power units are not in use or under repair.

Competitive environment: Kashirskaya GRES, Kostromskaya GRES, Cherepetskaya GRES (all – Inter RAO – Electricity Power Generation JSC), Shaturskaya GRES, Smolenskaya GRES (both – Unipro PJSC), Konakovskaya GRES (Enel Russia PJSC), Novovoronezhskaya NPP, Kalinskaya NPP, Smolenskaya NPP (all – Concern Rosenergoatom JSC), Volzhskaya HPP (RusHydro PJSC).

Key Indicators	2020
Generation of electric power, million kW*h	1,516.5
Net electric power supply, million kW*h	1,319.3
Heat supply, thous. Gcal	209.0
Net supply of thermal power, thousand Gcal	134.2
ICUF, %	5.6
Staff number, persons	1,022

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	14.34	9.0 mln m <sup>3</sup>	65.1 mln m <sup>3</sup>
Coal	85.65	63.4 thous. tnf	877.0 thous. tnf
Fuel Oil	0.01	0.000 thous. tnf	0.050 thous. tnf
Diesel fuel	-	-	-

#### KIRISHSKAYA GRES

Kirishskaya GRES is located in Kirishi, Kirishsky District, Leningrad Region.

It includes an unblocked combined heat and power (CHP) unit supplying heat to consumers in steam of various

parameters and hot water, as well as condensing steam-power units (CHP units) and a combined-cycle plant.

Competitive environment: North-West CHPP (Inter RAO – Power Generation

JSC), Leningrad NPP (Rosenergoatom Concern JSC), stations of TGC-1 PJSC.

Key Indicators	2020
Generation of electric power, million kW*h	4,248.8
Net electric power supply, million kW*h	3,984.3
Heat supply, thous. Gcal	2,902.8
Net supply of thermal power, thousand Gcal	2,874.4
ICUF, %	18.7
Staff number, persons	787

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	99.99	400.4 mln m <sup>3</sup>	927.1 mln m <sup>3</sup>
Coal	-	-	-
Fuel Oil	0.01	0.006 thous. tnf	0.110 thous. tnf
Diesel fuel	-	-	-



STAVROPOLSKAYA GRES

Stavropolskaya GRES is located in the Solnechnodolsk settlement, in the northern part of the Stavropol Territory.

It includes 8 condensing steam-power units capable of supplying heat to consumers.

Competitive environment: Nevinomysskaya GRES (Enel Russia PJSC), Krasnodarskaya CHPP (LUKOIL-Kubanenergo LLC).

Troitskaya GRES is located in Troitsk, Chelyabinsk Region.

consumers, and 2 steam-power condensing units. Power Unit at st. No. 10 is a facility under the CSA program.

Generation JSC), Konakovskaya GRES (Enel Russia PJSC), Kalininskaya NPP (Concern Rosenergoatom JSC).

Key Indicators	2020
Generation of electric power, million kW*h	4,095.2
Net electric power supply, million kW*h	3,880.8
Heat supply, thous. Gcal	61.7
Net supply of thermal power, thousand Gcal	47.8
ICUF, %	19.2
Staff number, persons	736

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	99.74	9.1 mln m³	1,162.4 mln m³
Coal	-	-	-
Fuel Oil	0.26	0.016 thous. tnf	2.568 thous. tnf
Diesel fuel	-	-	-

NOVOCHERKASSKAYA GRES

Novocherkasskaya GRES is located in Novocherkassk, Rostov Region.

to consumers and a pulverized-coal steam-power unit at st. No. 9, which is a subject of the CSA program. Its specific feature is a circulating fluidized-bed boiler.

Competitive environment: Rostovskaya NPP (Concern Rosenergoatom JSC), Nevinnomyskaya GRES (Enel Russia PJSC).

The power plant consists of 7 condensing pulverized-coal steam-power units capable of supplying heat

Key Indicators	2020
Generation of electric power, million kW*h	6,837.7
Net electric power supply, million kW*h	6,263.1
Heat supply, thous. Gcal	77.0
Net supply of thermal power, thousand Gcal	52.1
ICUF, %	34.5
Staff number, persons	1 153

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	32.407	4.1 mln m³	690.4 mln m³
Coal	67.477	14.8 thous. tnf	2,321.0 thous. tnf
Fuel Oil	0.116	0.005 thous. tnf	2.597 thous. tnf
Diesel fuel	-	-	-

TROITSKAYA GRES

Key Indicators	2020
Generation of electric power, million kW*h	947.6
Net electric power supply, million kW*h	733.6
Heat supply, thous. Gcal	139.3
Net supply of thermal power, thousand Gcal	104.1
ICUF, %	8.2
Staff number, persons	950

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	-	-	-
Coal	97.62	46.9 thous. tnf	644.9 thous. tnf
Fuel Oil	2.38	0.580 thous. tnf	7.034 thous. tnf
Diesel fuel	-	-	-

KRASNOYARSKAYA GRES-2

Krasnoyarskaya GRES-2 is located in Zelenogorsk, Krasnoyarsk Territory.

power unit at st. No. 5 is additionally capable of supplying steam.

(EuroSibEnergo JSC), Boguchanskaya HPP (RusHydro PJSC), Belovskaya GRES, Tom-Usinskaya GRES (both – Kuzbassenergo JSC), Nazarovskaya GRES (Siberian Generation Company LLC). On October 01, 2020, it was transferred to the new owner.

It consists of 7 steam-power units and a steam-power unblocked part. All equipment is capable of supplying heat to consumers in hot water, and

Competitive environment: Berezovskaya GRES (Unipro PJSC), Sayano-Shushinskaya HPP (RusHydro PJSC), Krasnoyarskaya HPP

Key Indicators	2020
Generation of electric power, million kW*h	1,409.1
Net electric power supply, million kW*h	1,219.6
Heat supply, thous. Gcal	553.0
Net supply of thermal power, thousand Gcal	541.6
ICUF, %	17.0
Staff number, persons	7

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	-	-	-
Coal	99.71	172.9 thous. tnf	921.8 thous. tnf
Fuel Oil	0.29	0.256 thous. tnf	1.100 thous. tnf
Diesel fuel	-	-	-

CHERPOVETSKAYA GRES

Cherepovetskaya GRES is located in the Kadui settlement in the Vologda Region.

Cherepovetskaya GRES consists of 3 condensing steam-power

units capable of supplying heat to consumers, and a combined cycle plant. Competitive environment:

Kostromskaya GRES (Inter RAO – Power Generation JSC), Konakovskaya GRES (Enel Russia PJSC), Kalininskaya NPP (Concern Rosenergoatom JSC).

Key Indicators	2020
Generation of electric power, million kW*h	2,842.1
Net electric power supply, million kW*h	2,676.9
Heat supply, thous. Gcal	111.4
Net supply of thermal power, thousand Gcal	82.9
ICUF, %	30.0
Staff number, persons	496

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	91.8716	23.3 thous. tnf	503.0 thous. tnf
Coal	8.1098	10.3 thous. tnf	78.4 thous. tnf
Fuel Oil	0.0141	0.016 thous. tnf	0.090 thous. tnf
Diesel fuel	0.0045	-	0.020 thous. tnf

SEROVSKAYA GRES

Serovskaya GRES is located in Serov, Sverdlovsk Region.

The plant includes an CCGT unit.

Competitive environment: Yaivinskaya GRES (Unipro PJSC), Nizhneturinskaya GRES (T PLUS PJSC).

Key Indicators	2020
Generation of electric power, million kW*h	3,028.8
Net electric power supply, million kW*h	2,885.4
Heat supply, thous. Gcal	-
Net supply of thermal power, thousand Gcal	-
ICUF, %	76.5
Staff number, persons	231

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	99.998	-	565.5 mln m³
Coal	-	-	-
Fuel Oil	-	-	-
Diesel fuel	0.002	-	0.007 thous. tnf

PSKOVSKAYA GRES

Pskovskaya GRES is located in the Dedovichi settlement, Dedovichi District, Pskov Region.

It consists of 2 condensing steam-power units capable of supplying

heat to consumers, and 5 electric hot water boilers for providing heat to the settlement when the power units are not in use or under repair.

Competitive environment: North-West CHPP (Inter RAO – Power Generation JSC), Leningrad NPP (Rosenergoatom Concern JSC), stations of TGC-1 PJSC.

Key Indicators	2020
Generation of electric power, million kW*h	149.3
Net electric power supply, million kW*h	111.3
Heat supply, thous. Gcal	54.6
Net supply of thermal power, thousand Gcal	34.4
ICUF, %	3.9
Staff number, persons	282

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	100	9.2 mln m³	41.7 mln m³
Coal	-	-	-
Fuel Oil	-	-	-
Diesel fuel	-	-	-

ADLERSKAYA TPP

Adlerskaya TPP is a power plant consisting of two autonomous CCGT units capable of supplying heat to consumers. It is located in Sochi, Krasnodar Territory.

Competitive environment: Sochinskaya TPP (Inter RAO – Power Generation JSC), Nevinnomysskaya GRES (Enel Russia PJSC), Krasnodarskaya CHPP (LUKOIL-Kubanenergo LLC).

Key Indicators	2020
Generation of electric power, million kW*h	1,872.8
Net electric power supply, million kW*h	1,763.2
Heat supply, thous. Gcal	177.8
Net supply of thermal power, thousand Gcal	173.2
ICUF, %	58.1
Staff number, persons	209

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	99.995	18.9 mln m³	397.5 mln m³
Coal	-	-	-
Fuel Oil	-	-	-
Diesel fuel	0.005	0.001 thous. tnf	0.015 thous. tnf

GROZNEISKAYA TPP

Grozneiskaya TPP is located in Grozny of the Chechen Republic. It consists of two gas turbine units.

Competitive environment: The TPP of North Caucasus of RusHydro PJSC.

Key Indicators	2020
Generation of electric power, million kW*h	1,305.3
Net electric power supply, million kW*h	1,282.8
Heat supply, thous. Gcal	-
Net supply of thermal power, thousand Gcal	-
ICUF, %	41.3
Staff number, persons	127

Fuel balance and fuel consumption in 2020			
Type of fuel	Fuel balance, %	fuel consumption for thermal power generation	fuel consumption for electric power generation
Gas	99.99	-	405.4 mln m³
Coal	-	-	-
Fuel Oil	-	-	-
Diesel fuel	0.01	-	0.018 thous. tnf

SVOBODNEISKAYA TPP

Svobodneiskaya TPP is a branch of OGC-2 JSC, located in Svobodny, Amur Region. The branch will include 2 steam-powered plants, with a unit capacity of 80 MW each, with 3 power

boilers, cross-links for steam and feed water. Svobodneiskaya TPP was put into operation in April, 2021.

Competitive environment: power plants of RusHydro PJSC.

PRODUCTION RESULTS

DYNAMICS OF ELECTRIC POWER GENERATION IN 2018–2020, MLN KWH

Indicator, branch	2018	2019	2020	Change 2020/2019, %
Net electric power supply (million kW*h)				
Surgutskaya GRES-1	17,570	17,617	15,116.5	-14.2
Ryazanskaya GRES	1,526	1,325	1,319.3	-0.5
Kirishskaya GRES	5,524	7,385	3,984.3	-46.1
Stavropolskaya GRES	8,301	4,800	3,880.8	-19.2
Troitskaya GRES	1,130	950	733.6	-22.8
Novocherkasskaya GRES	8,918	7,081	6,263.1	-11.6
Krasnoyarskaya GRES-2	3,939	3,564	1,219.6	-65.8
Cherepovetskaya GRES	2,937	3,180	2,676.9	-15.8
Serovskaya GRES	2,654	2,698	2,885.4	+6.9
Pskovskaya GRES	103	151	111.3	-26.4
Adlerskaya TPP	2,349	1,612	1,763.2	+9.3
Grozneiskaya TPP	-	680	1,282.8	+88.4
OGK-2	54,950	51,050	41,236.9	-19.2

Indicator, branch	2018	2019	2020	Change 2020/2019, %
Generation of electric power (million kW*h)				
Surgutskaya GRES-1	18,642	18,652	15,994.2	-14.2
Ryazanskaya GRES	1,753	1,527	1,516.5	-0.7
Kirishskaya GRES	5,819	7,747	4,248.8	-45.2
Stavropolskaya GRES	8,667	5,040	4,095.2	-18.7
Troitskaya GRES	1,429	1,208	947.6	-21.5
Novocherkasskaya GRES	9,660	7,708	6,837.7	-11.3
Krasnoyarskaya GRES-2	4,398	4,003	1,409.1	-64.8
Cherepovetskaya GRES	3,119	3,360	2,842.1	-15.4
Serovskaya GRES	2,811	2,845	3,028.8	+6.4
Pskovskaya GRES	149	196	149.3	-24.0
Adlerskaya TPP	2,472	1,707	1,872.8	+9.7
Grozneiskaya TPP	-	695	1,305.3	+87.8
OGK-2	58,919	54,688	44,247.3	-19.1

SUPPLY OF THERMAL POWER, THOUSAND GCAL

Indicator, branch	2018	2019	2020	Change 2020/2019, %
Net thermal power supply				
Surgutskaya GRES-1	1,848.1	1,709.9	1,542.8	-9.8
Ryazanskaya GRES	142.2	140.6	132.9	-5.5
Kirishskaya GRES	2,889.2	2,943.4	2,874.4	-2.3
Stavropolskaya GRES	53.2	48.0	48.5	+1.0
Troitskaya GRES	305.7	111.1	104.1	-6.3
Novocherkasskaya GRES	54.6	52.2	52.1	-0.2
Krasnoyarskaya GRES-2	1,027.7	979.0	541.6	-44.7
Cherepovetskaya GRES	97.2	86.9	82.9	-4.6
Serovskaya GRES	69.0	50.4	0.0	-100.0
Pskovskaya GRES	39.9	36.8	34.4	-6.5
Adlerskaya TPP	175.2	187.1	173.2	-7.4
Grozneiskaya TPP	-	-	-	-
OGK-2	6,702.1	6,345.5	5,586.9	-12.0
thermal power supply from collectors				
Surgutskaya GRES-1	1,866.0	1,726.0	1,557.3	-9.8
Ryazanskaya GRES	239.2	219.7	209.0	-4.9
Kirishskaya GRES	2,919.1	2,976.9	2,902.8	-2.5
Stavropolskaya GRES	67.1	67.4	61.7	-8.5
Troitskaya GRES	351.4	156.7	139.3	-11.1
Novocherkasskaya GRES	79.5	74.5	77.0	+3.4
Krasnoyarskaya GRES-2	1,049.9	1,000.0	553.0	-44.7
Cherepovetskaya GRES	123.0	119.7	111.4	-6.9
Serovskaya GRES	78.8	61.2	0.0	-100.0
Pskovskaya GRES	59.7	55.9	54.6	-2.3
Adlerskaya TPP	173.4	189.4	177.8	-6.1
Grozneiskaya TPP	-	-	-	-
OGK-2	7,007.2	6,647.4	5,844.0	-12.1

INSTALLED CAPACITY UTILIZATION FACTOR

Indicator, branch	2018	2019	2020	Change 2020/2019, %
<b>ICUF, %</b>				
Surgutskaya GRES-1	64.9	63.9	54.6	-9.3
Ryazanskaya GRES	6.4	5.6	5.6	0.0
Kirishskaya GRES	25.6	34.1	18.7	-15.4
Stavropolskaya GRES	40.8	23.7	19.2	-4.5
Troitskaya GRES	12.1	10.5	8.2	-2.3
Novocherkasskaya GRES	48.8	39.0	34.5	-4.5
Krasnoyarskaya GRES-2	39.8	36.3	17.1	-19.2
Cherepovetskaya GRES	33.2	35.5	30.0	-5.5
Serovskaya GRES	75.5	72.0	76.5	+4.5
Pskovskaya GRES	3.9	5.1	3.9	-1.2
Adlerskaya TPP	77.0	53.1	58.1	+5.0
Groznenskaya TPP	-	33.3	41.3	+8.0
<b>OGK-2</b>	<b>36.2</b>	<b>33.0</b>	<b>27.0</b>	<b>-6.0</b>

SPECIFIC REFERENCE FUEL CONSUMPTION (SRFC) FOR THE SUPPLY OF ELECTRIC POWER AND HEAT

Indicator, branch	2018	2019	2020	Change 2020/2019, %
<b>SRFC for electric power supply (g/kW*h)</b>	<b>331.6</b>	<b>325.0</b>	<b>326.5</b>	<b>+0.5</b>
Surgutskaya GRES-1	326.1	324.0	323.1	-0.3
Ryazanskaya GRES	394.2	408.7	407.0	-0.4
Kirishskaya GRES	274.6	268.4	269.2	+0.3
Stavropolskaya GRES	339.9	341.6	346.6	+1.5
Troitskaya GRES	472.0	469.1	496.7	+5.9
Novocherkasskaya GRES	392.1	393.0	394.7	+0.4
Krasnoyarskaya GRES-2	398.4	399.2	416.6	+4.4
Cherepovetskaya GRES	233.7	226.9	234.1	+3.2
Serovskaya GRES	229.7	225.9	226.8	+0.4
Pskovskaya GRES	360.0	352.6	345.4	-2.0
Adlerskaya TPP	256.3	257.7	262.2	+1.7
Groznenskaya TPP	-	364.0	374.2	+2.8
<b>SRFC for thermal power supply (kg/Gcal)</b>	<b>152.9</b>	<b>165.2</b>	<b>164.7</b>	<b>-0.3</b>
Surgutskaya GRES-1	134.6	151.3	151.1	-0.2
Ryazanskaya GRES	187.3	194.5	216.2	+11.2
Kirishskaya GRES	143.2	160.0	160.1	+0.1
Stavropolskaya GRES	172.6	172.8	173.0	+0.1
Troitskaya GRES	172.6	198.3	199.5	+0.6
Novocherkasskaya GRES	185.7	198.7	201.9	+1.6
Krasnoyarskaya GRES-2	164.9	169.8	175.0	+3.0
Cherepovetskaya GRES	345.5	308.0	298.4	-3.1
Serovskaya GRES	270.8	318.9	0.0	-100.0
Pskovskaya GRES	191.3	194.8	222.8	+14.4
Adlerskaya TPP	124.9	124.4	124.3	-0.1
Groznenskaya TPP	-	-	-	-

FUEL BALANCE STRUCTURE, %

Branch	2018			2019			2020		
	Coal	Gas	Fuel Oil and Diesel Fuel	Coal	Gas	Fuel Oil and Diesel Fuel	Coal	Gas	Fuel Oil and Diesel Fuel
<b>Total OGK-2</b>	<b>27.574</b>	<b>72.242</b>	<b>0.183</b>	<b>25.526</b>	<b>74.346</b>	<b>0.128</b>	<b>22.64</b>	<b>77.23</b>	<b>0.13</b>
Surgutskaya GRES-1	0.00	100	0.00	0.00	100	0.00	0.00	100	0.00
Ryazanskaya GRES	70.96	29.03	0.01	83.42	16.57	0.01	85.65	14.34	0.01
Kirishskaya GRES	0.00	99.99	0.01	0.00	99.95	0.05	0.00	99.99	0.01
Stavropolskaya GRES	0.00	99.41	0.59	0.00	99.77	0.23	0.00	99.74	0.26
Troitskaya GRES	98.05	0.00	1.95	98.07	0.00	1.93	97.62	0.00	2.38
Novocherkasskaya GRES	69.63	30.34	0.03	68.29	31.71	0.00	67.477	32.407	0.116
Krasnoyarskaya GRES-2	99.74	0.00	0.26	99.70	0.00	0.30	99.71	0.00	0.29
Cherepovetskaya GRES	7.62	92.33	0.05	1.65	98.02	0.33	8.11	91.87	0.02
Serovskaya GRES	0.00	99.98	0.02	0.288	99.710	0.002	0.00	99.998	0.002
Pskovskaya GRES	0.00	100	0.00	0.00	100	0.00	0.00	100	0.00
Adlerskaya TPP	0.00	99.997	0.003	0.00	99.99	0.01	0.00	99.995	0.005
Groznenskaya TPP	-	-	-	-	99.91	0.09	-	99.99	0.01

FUEL CONSUMPTION FOR PRODUCTION IN PHYSICAL UNITS IN 2018-2020

Type of fuel	2018, thous. t., mln m³	2019, thous. t., mln m³	2020, thous. t., mln m³	Change 2020/2019, %
<b>Coal</b>				
<b>Total OGK-2</b>	<b>8,700.6</b>	<b>7,442.3</b>	<b>5,151.3</b>	<b>-30.8</b>
Surgutskaya GRES-1	-	-	-	-
Ryazanskaya GRES	914.2	981.3	940.4	-4.2
Kirishskaya GRES	-	-	-	-
Stavropolskaya GRES	-	-	-	-
Troitskaya GRES	1,059.2	813.8	691.8	-15.0
Novocherkasskaya GRES	3,464.8	2,752.9	2,335.8	-15.2
Krasnoyarskaya GRES-2	3,152.8	2,870.1	1,094.7	-61.9
Cherepovetskaya GRES	109.6	21.0	88.7	+322.4
Serovskaya GRES	-	3.2	-	-100.0
Pskovskaya GRES	-	-	-	-
Adlerskaya TPP	-	-	-	-
Groznenskaya TPP	-	-	-	-
<b>Gas</b>				
<b>Total OGK-2</b>	<b>12,180.8</b>	<b>11,478.4</b>	<b>9,732.3</b>	<b>-15.2</b>
Surgutskaya GRES-1	5,249.5	5,224.1	4,500.2	-13.9
Ryazanskaya GRES	167.1	86.3	74.1	-14.1
Kirishskaya GRES	1,675.8	2,131.8	1,327.4	-37.7
Stavropolskaya GRES	2,434.9	1,421.2	1,171.5	-17.6
Troitskaya GRES	-	-	-	-
Novocherkasskaya GRES	921.1	765.1	694.4	-9.2
Krasnoyarskaya GRES-2	-	-	-	-
Cherepovetskaya GRES	588.3	646.4	526.3	-18.6
Serovskaya GRES	553.7	549.9	565.5	+2.8
Pskovskaya GRES	53.0	65.3	50.9	-22.1
Adlerskaya TPP	537.3	379.0	416.4	+9.9



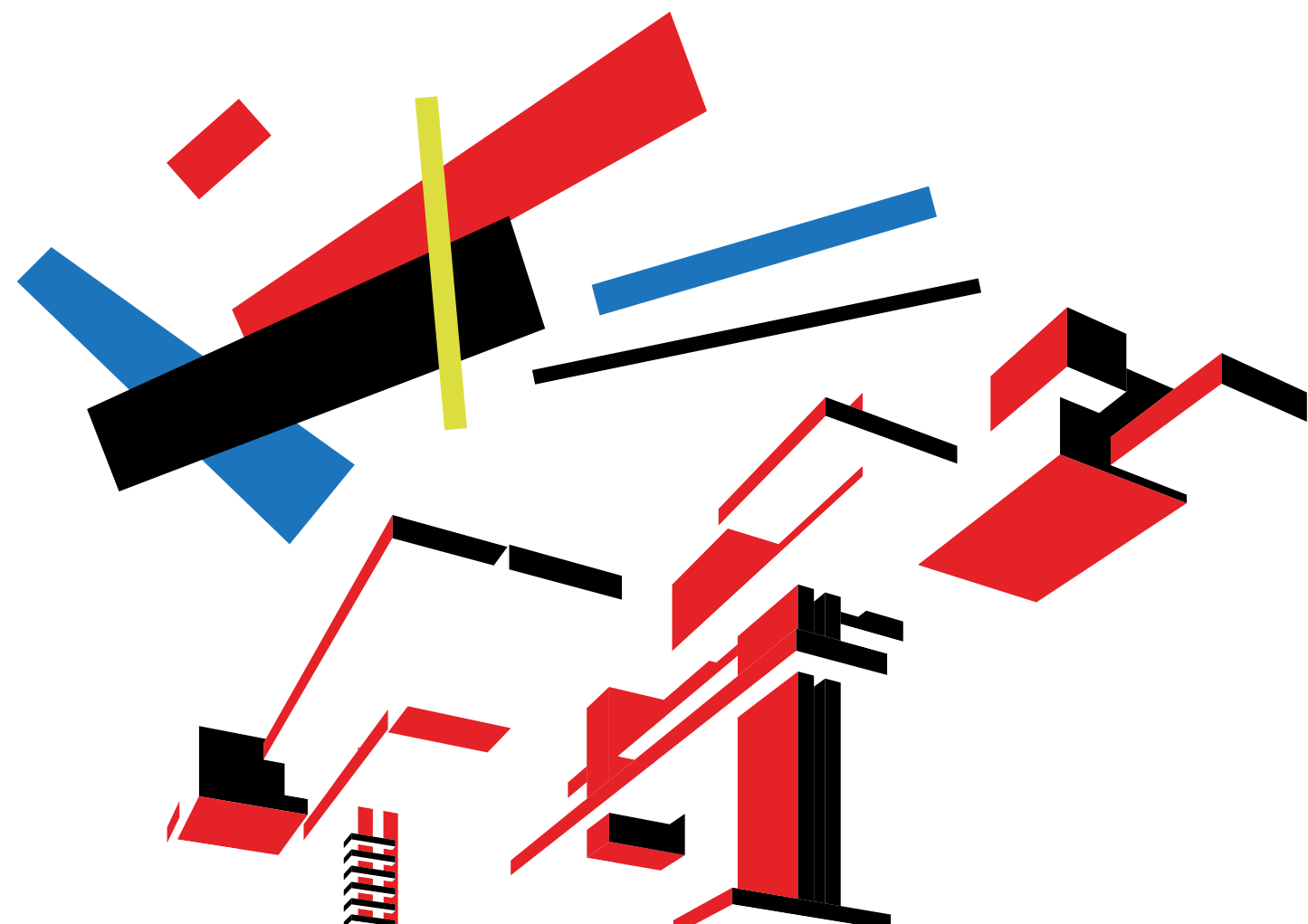
Type of fuel	2018, thous. t., mln m <sup>3</sup>	2019, thous. t., mln m <sup>3</sup>	2020, thous. t., mln m <sup>3</sup>	Change 2020/2019, %
Groznenskaya TPP	-	209.2	405.4	+93.8
<b>Fuel oil and diesel fuel</b>				
<b>Total OGK-2</b>	<b>26.49</b>	<b>17.81</b>	<b>14.489</b>	<b>-18.6</b>
Surgutskaya GRES-1	-	-	-	-
Ryazanskaya GRES	0.07	0.06	0.050	-16.7
Kirishskaya GRES	0.17	0.91	0.116	-87.3
Stavropolskaya GRES	12.43	2.81	2.584	-8.0
Troitskaya GRES	9.27	7.42	7.614	+2.6
Novocherkasskaya GRES	0.83	-	2.602	-
Krasnoyarskaya GRES-2	3.39	3.64	1.356	-62.7
Cherepovetskaya GRES	0.36	2.81	0.126	-95.5
Serovskaya GRES	0.11	0.01	0.007	-30.0
Pskovskaya GRES	-	-	-	-
Adlerskaya TPP*	0.012	0.02	0.016	-20.0
Groznenskaya TPP*	-	0,15	0.018	-88.0

\* These plants consume diesel fuel.

Type of fuel, Branch	2018, thous. toe	2019, thous. toe	2020, thous. toe	Change 2020/2019, %
Pskovskaya GRES	61.4	75.7	59.1	-21.9
Adlerskaya TPP	625.4	440.9	486.2	+10.3
Groznenskaya TPP	-	248.7	480.9	+93.3
<b>Fuel oil and diesel fuel</b>				
<b>Total OGK-2</b>	<b>35.95</b>	<b>22.90</b>	<b>19.01</b>	<b>-17.0</b>
Surgutskaya GRES-1	-	-	-	-
Ryazanskaya GRES	0.08	0.07	0.06	-12.1
Kirishskaya GRES	0.24	1.28	0.16	-87.2
Stavropolskaya GRES	16.92	3.85	3.51	-8.8
Troitskaya GRES	12.74	10.18	10.39	2.0
Novocherkasskaya GRES	0.92	-	2.92	-
Krasnoyarskaya GRES-2	4.50	4.75	1.78	-62.6
Cherepovetskaya GRES	0.37	2.51	0.12	-95.1
Serovskaya GRES	0.16	0.02	0.01	-34.9
Pskovskaya GRES	-	-	-	-
Adlerskaya TPP	0.02	0.03	0.02	-11.1
Groznenskaya TPP	-	0.21	0.03	-87.9

#### CONSUMPTION OF OIL EQUIVALENT IN 2018–2020

Type of fuel, Branch	2018, thous. toe	2019, thous. toe	2020, thous. toe	Change 2020/2019, %
<b>Coal</b>				
<b>Total OGK-2</b>	<b>5,381.5</b>	<b>4,564.8</b>	<b>3,301.3</b>	<b>-27.7</b>
Surgutskaya GRES-1	-	-	-	-
Ryazanskaya GRES	478.0	509.0	519.4	+2.0
Kirishskaya GRES	-	-	-	-
Stavropolskaya GRES	-	-	-	-
Troitskaya GRES	640.1	517.4	425.7	-17.7
Novocherkasskaya GRES	2,455.7	1,923.3	1,690.3	-12.1
Krasnoyarskaya GRES-2	1,751.5	1,600.7	612.0	-61.8
Cherepovetskaya GRES	56.2	12.6	54.0	+328.6
Serovskaya GRES	-	1.8	-	-100
Pskovskaya GRES	-	-	-	-
Adlerskaya TPP	-	-	-	-
Groznenskaya TPP	-	-	-	-
<b>Gas</b>				
<b>Total OGK-2</b>	<b>14,099.1</b>	<b>13,295.3</b>	<b>11,261.7</b>	<b>-15.3</b>
Surgutskaya GRES-1	6,043.7	6,020.1	5,155.1	-14.4
Ryazanskaya GRES	195.5	101.1	87.0	-14.0
Kirishskaya GRES	1,940.2	2,467.0	1,542.3	-37.5
Stavropolskaya GRES	2,839.0	1,664.1	1,367.8	-17.8
Troitskaya GRES	-	-	-	-
Novocherkasskaya GRES	1,070.1	893.1	811.8	-9.1
Krasnoyarskaya GRES-2	-	-	-	-
Cherepovetskaya GRES	681.4	747.8	611.6	-18.2
Serovskaya GRES	642.3	636.9	660.1	+3.6

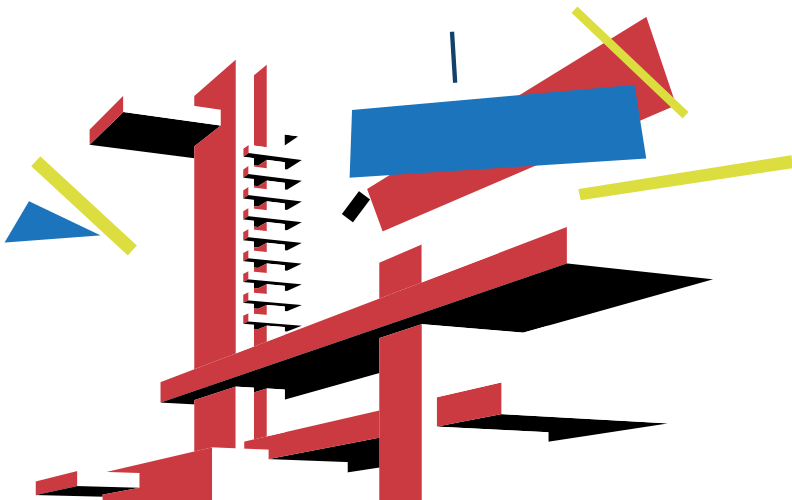


5.2 Contacts and Details

INFORMATION ABOUT AN AUDITOR AND REGISTRAR

INFORMATION ABOUT AN AUDITOR	
Full Corporate Name	BDO Unicon Joint Stock Company
Abbreviated Corporate Name	BDO Unicon JSC
Location	125 Varshavskoye Highway, bldg 1, section 11, 3rd floor, prem. I, Room 50, 117587, Moscow
INN	7716021332
OGRN	1037739271701
Phone	(495) 797-5665
Fax	(495) 797-5660
E-mail	reception@bdo.ru
Website	www.bdo.ru
Information on the auditor's membership in self-regulatory organizations of auditors	Self-regulatory organization of auditors Assotsiatsiya Sodruzhestvo (SRO AAS), ORNZ 12006020340

INFORMATION ABOUT A REGISTRAR	
Full Corporate Name	Specialized Registrar – Holder of Registers of Shareholders of the Gas Industry Joint Stock Company
Abbreviated Corporate Name	DRAGA JSC
Location	71/32 Novocheremushkinskaya Str., 117420, Moscow, Russian Federation
Postal Address	71/32 Novocheremushkinskaya Str., 117420, Moscow, Russian Federation
Telephone	(495) 719-40-44, fax: (495) 719-45-85, (495) 719-81-66
E-mail	info@draga.ru
Website	www.draga.ru



CONTACT INFORMATION

DETAILS OF THE COMPANY	
Full Corporate Name	Second Generating Company of the Wholesale electric power Market Joint Stock Company
Abbreviated Corporate Name	OGK-2 JSC
Legal address	356126, Russian Federation, Stavropol Territory, Izobilnensky District, Solnechnodolsk village
Postal Address	66 Peterburgskoye Highway, bldg 1, lit. A, 196140, St. Petersburg
Telephone	(812) 646-13-64
E-mail	office@ogk2.ru
Date of State Registration	March 09, 2005
State Registration Authority	Inspectorate of the Federal Tax Service of Russia for the Izobilnensky district of the Stavropol Territory
INN	2607018122
OGRN	1052600002180
KPP	997650001, 260701001
Codes:	OKVED 35.11.1, OKPO 76851389
Settlement Account	No. 40702810750010004720
Bank	Central Branch of ROSSIYA AB JSC
BIC	044525220
Correspondent Account	No. 30101 810 4 5250 000220
Managing Director	Artyom Viktorovich Semikolenov
Chief Accountant	Larisa Vladimirovna Klisch

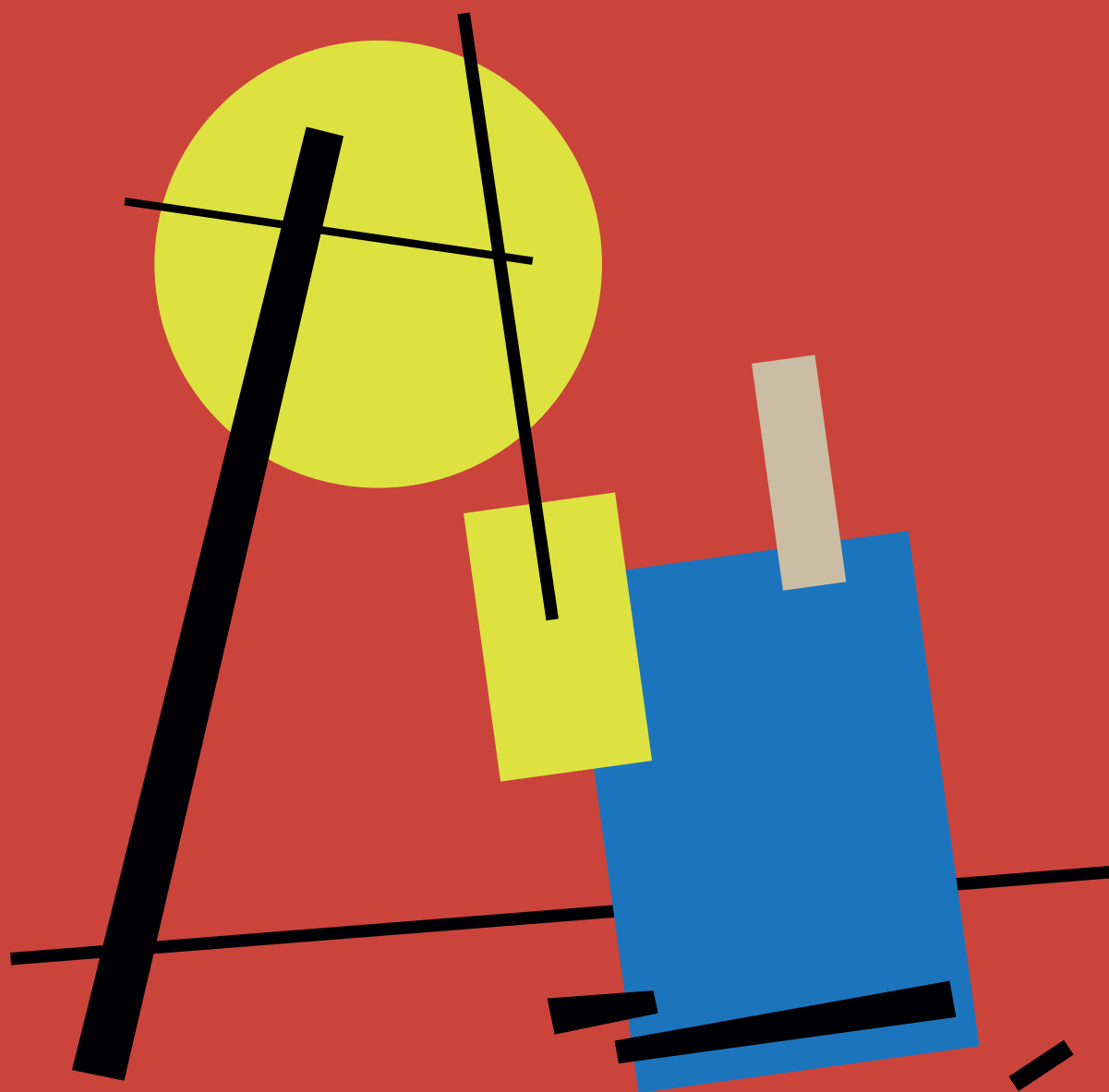
CONTACT PERSONS FOR SHAREHOLDERS AND INVESTORS

**Elena Nikolaevna Egorova** (Head of the Department of Corporate and Property Relations):  
Phone/Fax: (812) 646-13-64, e-mail: EgorovaEN@ogk2.ru

**Natalia Olegovna Grisel** (Head of Corporate Governance Department):  
Phone/Fax: (812) 646-13-64, e-mail: Grizel.Natalya@ogk2.ru

CONTACT PERSONS FOR MASS MEDIA

**Vadim Evgenievich Tikhonov** (Press Secretary):  
Phone: (812) 646-13-84, e-mail: Tikhonov.Vadim@ogk2.ru



66 Peterburgskoye Highway, bldg 1, lit. A,  
196140, St. Petersburg

+7 (812) 646-13-64

office@ogk2.ru

[www.ogk2.ru](http://www.ogk2.ru)

