



## **CORPORATE STANDARD**

**CORPORATE INTEGRATED MANAGEMENT SYSTEM OF  
OAO IDGC OF URALS**

### **REGULATIONS**

**On Insider Information of OAO IDGC of Urals**

**(revised version)**

Version – 4

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AS APPROVED BY  
Minutes of the Board of Directors of  
OAO IDGC of Urals  
Dated as of 01 July 2019 No.312

### Approvals Sheet

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Decree of OAO IDGC of Urals  
Dated as of \_\_\_\_\_ No. \_\_\_\_\_ (appendix)

**To replace:** Regulations (PL MRSK-DB-04-2018) on Processing of Insider Information in OAO IDGC of Urals (vers.3), adopted by the OAO IDGC of Urals' Board of Directors (Minutes dated as of 30.05.2018 No.274) and enacted by OAO IDGC of Urals' Decree dated as of 11.12.2018 No.573.

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## 1. Purpose and Sphere of Application

1.1. The Regulations is a bylaw of OAO IDGC of Urals (hereinafter referred to as the Company), developed pursuant to Federal Law dated as of 27.07.2010 No.224-FZ 'On Countering the Misuse of Insider Information and Market Manipulation and Amending Certain Laws of the Russian Federation', statutory instruments of the Bank of Russia, other subordinate regulatory documents, Company's Charter.

1.2. The purpose of the Regulations shall be:

- Company's compliance with Russian laws on combating the misuse of insider information and market manipulation;
- Protection of rights and proprietary interests of Company's stockholders and other holders of Company's securities;
- Protection of Company's reputation and enhancement of confidence in the Company by stockholders, prospective investors, creditors, partners, professional securities market participants, state instrumentalities and other stakeholders;
- Protection of Company's economic security;
- Oversight of compliance of entities with access to Company's insider information with the Regulations;
- Establishment of common rules to protect data, labeled as Company's insider information;
- Prevention of price manipulation with regard to insider financial instruments.

## 2. References

The Regulations contain references to:

Federal Joint-Stock Companies Law dated as of 22.04.1996 No.39-FZ.

Federal Law dated as of 27.07.2010 No.224-FZ 'On Countering the Misuse of Insider Information and Market Manipulation and Amending Certain Laws of the Russian Federation'.

STO ISM-MRSK-01 Records Administration. Standard.

**IMPORTANT:** Check the actual version of the referenced documents before using the present Regulations. It is user's own responsibility to check whether s/he deals with the latest versions of the referenced documents.

## 3. Terms, Their Definitions, Abbreviations and Acronyms, Conventional Symbols

3.1. The Regulations use the following terms and definitions:

3.1.1. **Vesting period:** A time frame during which withholding from transactions with insider financial instruments is advisable.

3.1.2. **Insider Information:** Precise and specific unexposed information (commercial and business secrets, bank secrecy, secrecy of communication, incl. postal remittance, and other law-protected secrets) that may, once disclosed, affect quotes of financial instruments,

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foreign currency and/or goods (incl. information regarding one or several issuers of registrable securities (hereinafter referred to as issuers); management companies of investment funds, mutual funds and non-state pension funds (hereinafter referred to as a management company); or one or several financial instruments, foreign currency and/or goods; qualified as information enlisted as Company's insider information.

3.1.3. **Market manipulation:** Deliberate acts, stipulated by Russian laws on combating the misuse of insider information and market manipulation or statutory instruments of the Bank of Russia, resulting in deviation of quotes, bid or ask prices or trading volume of financial instrument, foreign currency and/or goods or in keeping them at levels, substantially different from levels reached without such acts.

3.1.4. **Transactions with financial instruments, foreign currency and/or goods (hereinafter referred to as transactions):** Transactioning and other action, taken to acquire, alienate or somehow modify interest in financial instruments, foreign currency and/or goods as well as action with regard to assumption of obligation to perform such activities, including bidding (giving mandates) and cancellation of bids.

3.1.5. **Disclosure of insider information:** Provision of access to information for any party concerned, whatever the purpose may be, in a manner enabling discovery and acquisition of such information.

3.1.6. **Dissemination of information:** Activities:

- Aiming at acquisition of information or transferring it to the general public, including disclosure, compliant with laws of the Russian Federation on securities;
- Related to release of information to mass media (incl. electronic mass media), telecom public networks (incl. internet);
- Related to distribution of information via electronic telecom public networks (incl. internet).

3.1.7. **Financial instruments:** Securities or derivative financial instruments, stated in Federal Securities Market Law dated as of 22.04.1996 No.39-FZ.

3.2. The Regulations use the following abbreviations and acronyms:

**The Bank of Russia** – Main directorate of the Bank of Russia for combating illegal practices in open market – federal executive instrumentality liable for financial markets;

**The Law** – Federal Law dated as of 27.07.2010 No.224-FZ 'On Countering the Misuse of Insider Information and Market Manipulation and Amending Certain Laws of the Russian Federation';

**IFRS** – International Financial Reporting Standards;

**OAO** – Open Joint-Stock Company;

**Company** – OAO IDGC of Urals, its branches, production units and distribution zones;

**RAS** – Russian Accounting Standards;

**The RF** – The Russian Federation;

**FZ** – Federal Law.

#### 4. Insider Information

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4.1. Company's insider information shall include information, subject to approval by a Bank of Russia's enactment, and information, labeled by the Company as insider information.

4.2. The General Director shall approve the list of Company's insider information.

4.3. The list of OAO IDGC of Urals' insider information shall be a public document, subject to mandatory disclosure on the corporate web-site (<http://www.mrsk-ural.ru>) within 3 (three) business days after its approval and/or amending and/or expansion.

4.4. Information that is not classified as insider information, shall include:

- Information that became known to the general public, incl. through its dissemination;
- Researches, forecasts and evaluations, prepared with the use of public information and related to Company's financial instruments and/or goods, recommendations and/or offers regarding transactioning with Company's financial instruments and/or goods;

- Data and/or related information to be transferred by the issuer and/or a party (parties), engaged by the issuer, to perspective buyers; or to be used by the issuer and/or a party (parties), engaged by the issuer, to recommend or induce prospective buyers in any way to acquire such securities due to placement (its arrangement) and/or offer (its arrangement) of issuer's securities inside and outside Russia, also by placing securities of a foreign issuer attesting rights for issuer's securities, provided that perspective buyers are notified that such information (data) may be used only to decide whether or not to acquire such placed (offered) securities.

## **5. Procedure and terms for insider disclosures**

5.1. Company's insider information shall be disclosed in a manner and terms, set forth by Russian laws for insider disclosures by the entities, stipulated by the Law.

5.2. There shall be no disclosures for the following set of insider information:

- Board of Directors' decisions regarding items, falling under its purview as stated by the Charter; if such information is statutorily labeled as commercial secrets, except for Board of Directors' decisions regarding items, falling under its purview, stipulated by federal laws;

- Conditions of a contract related to support (stabilization) of prices for the issuer's securities (foreign issuer's securities granting rights with regard to securities of a Russian issuer), except for the life of such contract.

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## **6. List of insiders**

6.1. OAO IDGC of Urals shall administer the list of insiders in line with the Law.

6.2. The list of insiders of the Company shall include:

- General Director (entity, performing the functions of the sole executive body);
- Members of the Executive Board;
- Members of the Board of Directors;
- Members of the Board of Internal Auditors;
- Heads of branches and representative offices;
- Deputy General Directors;
- Chief Advisors/ Advisors;
- Heads of structural units;
- Employees with access to insider information due to labor and/or civil contracts;
- Information agencies dealing with disclosures;
- Rating-assigning entities;
- Entities with access to insider information due to concluded contracts (incl. auditors, appraisers, professional securities market participants, banking institutions and insurance companies).

6.3. The Company shall notify entities enlisted as insiders of enlistment and delisting in a statutory manner.

6.4. The Company shall be entitled to request from enlisted insiders information on their transactions with securities related to insider financial instruments and concluded contracts, which are derivative financial instruments and which prices depend on such securities.

6.5. Enlisted entities shall be held statutorily liable for the misuse of insider information, market manipulation and violations of laws on countering the misuse of insider information and market manipulation.

6.6. Transactions of individuals, enlisted as insiders, and individuals, associated with insiders, with insider financial instruments in breach of the conditions for such transactions, stipulated in Paragraph 7 hereof, shall be cause to bringing such individuals to civil and other liability.

## **7. Conditions of transactioning with insider financial instruments**

7.1. Insiders must shun any transactions with insider financial instruments during vesting periods.

7.2. A vesting period shall start at least 15 calendar days prior to the signing of accounting (financial) statements, prepared under Russian Accounting Standards (RAS), and consolidated financial statements, prepared under International Financial Reporting Standards (IFRS), and expire on the day following the day when the statements were published.

7.3. At the beginning of the calendar year, the Company shall inform insiders of the vesting period by posting related information on the corporate web-site.

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## **8. Oversight of compliance with the rules regulating insider information**

8.1. A structural unit (its head), designated by Company's administrative and organizational documents, shall oversee compliance with the Law and subsequent enactments.

8.2. A structural unit (official) overseeing compliance with the Law and subsequent enactments shall have a direct reporting line to the General Director.

8.3. A structural unit (official) overseeing compliance with the Law and subsequent enactments, on an annual basis, within 90 days after the year-end, shall file a report on Company's compliance with laws regulating insider information with the General Director.

8.4. The oversight of compliance with laws regulating insider information shall include:

- Exposure of information related to insider information and its inclusion into the list of insider information of the Company;
- Oversight of the integrity and relevancy of the list of insider information;
- Oversight of the disclosure of the list of insider information on the corporate web-site;
- Oversight of the administration of the insider list;
- Oversight of insiders' notification of enlistment (delisting);
- Oversight of statutory filing of the insider list with trading institutions and Bank of Russia;
- Oversight of compliance of structural units handling insider information with laws and Company's enactments on countering the misuse of insider information and market manipulation;
- Oversight of procedures and terms of insider information disclosure and reporting;
- Provision of counselling to staff on items related to the application of laws and Company's bylaws on countering the misuse of insider information and market manipulation;
- Formulation of Company's bylaws on countering the misuse of insider information and market manipulation;
- Control of compliance of Company's bylaws with laws on countering the misuse of insider information and market manipulation.

## **9. Revisions (Updates) of the Regulations**

9.1. Approval, amending and expansion of the Regulations shall be decided by the Board of Directors.

9.2. The Regulations shall be revised by the Board of Directors, in line with STO ISM-MRSK-01, at least once in 5 years, with subsequent enforcement of its revised version or its prolongation by administrative and organizational document.

9.3. If Russian laws combating the illegal use of insider information are revised, the present Regulations shall be applied insofar as the Regulations do not conflict with the revised laws.

9.4. Invalidity of stand-alone clauses hereof shall not make other clauses hereof or the Regulations invalid.

9.5. The General Director shall oversee the execution of the Regulations.



