

**PUBLIC JOINT STOCK COMPANY  
OF POWER INDUSTRY AND ELECTRIFICATION OF KUBAN  
(KUBANENERGO PJSC)**

Approved by  
the Board of Directors of Kubanenergo PJSC  
on 19.06.2019 (minutes of the meeting No.348/2019 of 20.06.2019)

**REGULATIONS  
ON INSIDER INFORMATION OF KUBANENERGO PJSC  
P098-2019**

Krasnodar

### Information on the document

Put into effect	By the Order of the Director General of Kubanenergo PJSC #_____ of _____ 2019
Prepared by	Office of Anti-Corruption Compliance Procedures of the Security Department of Kubanenergo PJSC
Version	#1 – approved by the Order #999 on 27.09.2019
Reason for introduction of new version of the document	Extract from the Minutes of the Meeting of the Management Board of Rosseti PJSC #851pr/1 of 22.04.2019
Coverage	These Regulations are mandatory for all employees of the Company having access to insider information
Placing and storage	Original shall be stored at the Unit for Documentation Procedures and Control of Implementation of Orders under the Administrative Department of Administration of Affairs of the Executive Office of Kubanenergo PJSC
Amendments	Update as needed
Keywords	Insider, insider information, financial instruments
Related managerial documentation	Anticorruption Policy of Rosseti PJSC and its affiliates; The Company's Order #1263 of 07.12.2018 "On approval and introduction of the sample form of Agreement on Confidentiality of Insider Information of Kubanenergo PJSC"

## 1. Purpose

1.1 These Regulations on Insider Information (hereinafter – the Regulations) are an internal document of Kubanenergo PJSC (hereinafter – the Company) and are developed according to the requirements of the Federal law of 27.07.2010 No.224-FZ “On counteraction to unauthorized use of the insider information and to market manipulation and about modification of separate legal acts of the Russian Federation”, regulations of the Bank of Russia, other existing subordinate regulatory legal acts, the Charter of Kubanenergo PJSC.

1.2 The purposes of these Regulations are:

- compliance with the requirements of the legislation of the Russian Federation on counteraction to unauthorized use of insider information and to market manipulation
- protection of the rights and property interests of shareholders of the Company and other owners of the Company’s securities
- protection of reputation of the Company and increase in level of credibility to the Company from shareholders, potential investors, creditors, partners, professional participants of the security market, state bodies and other interested persons.
- ensuring economic security of the Company.
- control of compliance of individuals with access to the insider information of the Company with the Regulations
- establishment of common regulations for protection of data constituting the insider information of the Company.
- prevention of manipulation of prices on insider financial instruments of the Company

## 2. Normative references

- Federal law No.224-FZ of 27.02.2000 “About counteraction to unauthorized use of insider information and to market manipulation and about modification of separate legal acts of the Russian Federation”

Note: when using these Regulations, it is advisable to check the validity of the documents referenced to in this section in the corporate information system. If the reference document is replaced (changed), then when using these Regulations, one should be guided by the replacing (modified) document. If the reference document is canceled without replacement, then the section in which reference was made, applies to the extent that does not affect the reference.

## 3. Terms, definitions, references and abbreviations

The Regulations apply the following terms and definitions:

the Law	Federal law No.224-FZ of 27.07.2010 “About counteraction to unauthorized use of the insider information and to market manipulation and about modification of separate legal acts of the Russian Federation”
Closed period	the period of time, during which it is forbidden to concluded transactions with financial instruments
Insider information	accurate and specific information that has not been disclosed(including information constituting commercial, official secrets, bank secrets, communications secrets (information pertaining to postal money transfer) and other secrets protected by law) and the distribution of which may have a significant impact on prices of financial instruments, foreign currency and (or) goods (including information relating to one or several issuers of equity securities (hereinafter referred to as the issuer), one or several management companies, investment funds, mutual funds and private pension funds (hereinafter - the management company) or one or

	more financial instruments, foreign currency and (or) services which relate to the information included in the list of insider information approved by the Company
Market manipulation	deliberate attempts, defined by the RF legislation on countering the misuse of insider information and market manipulation or regulations of the Bank of Russia, as a result of which the price, demand, supply or volume of trading with a financial instrument, foreign currency and (or) goods would deviate from the level or was maintained at a level significantly different from the level that would have been formed without such attempts
the Company	Kubanenergo PJSC
Transactions with financial instruments, foreign exchange and (or) products	making transactions and other actions aimed at acquiring, alienating, otherwise changing the rights to financial instruments, foreign currency and (or) goods, as well as actions related to the commitment to perform these actions, including issuing requests (giving instructions) and cancelling such requests
Disclosure of insider information	provision of access to information by all interested in it, regardless of the purpose of obtaining this information, in accordance with the procedure that guarantees its location and receipt;
Distribution of information	actions: <ul style="list-style-type: none"> <li>- aimed at receiving information by public or information transfer to public, including its disclosure in accordance with the legislation of the Russian Federation about securities</li> <li>- related to publication of information in the media, including electronic, information and telecommunication networks, access to which is not limited to a specific group of people (including the information and telecommunication network "Internet")</li> <li>- related to distribution of information through electronic, information and telecommunication networks, access to which is not limited to a specific group of people (including the information and telecommunication network "Internet")</li> </ul>
Financial instruments	securities or derivative financial instruments of the Company defined according to Federal law No. 39-FZ of 22.04.1996 "On Securities Market".

## 4. Regulatory frameworks

### 4.1. Insider information

4.1.1. Insider information of the Company is the information, a full list of which is approved by the Bank of Russia and information defined by the Company as insider.

4.1.2. The list of insider information of the shall be approved by the Director General.

4.1.3. This list is a public document and is subject to obligatory disclosure on the Company's website <http://kubanenergo.ru/aktsioneram-i-investoram/informatsiya-dlya-insayderov-obshchestva/> within 3 (three) business days upon its approval and (or) update.

4.1.4. The following data is not regarded as insider information:

- information that became publicly available, including in the result of distribution;
- studies, forecasts and estimates on the financial instruments and/or goods of the Company, as well as recommendations and/or proposals to perform transactions with the financial instruments and/or goods of the Company, which are performed based on the publicly available information;
- information and (or) data based on it that is transferred by the issuer and (or) invited by the person(s) to potential acquirers of securities, or used by the issuer and (or) person(s) invited by the issuer for provision of recommendations or motivation of potential acquirers to otherwise acquire securities in connection with placement (organization of placement) and (or) offer (organization

of offer) of equity securities of the issuer in the Russian Federation or abroad, including by means of securities placement of a foreign issuer, certifying the rights concerning equity securities of the issuer, on condition of the notification of potential acquirers that such information (data) can be used by them only for the purpose of making decision on acquisition of the placed (offered) securities.

#### **4.2. Procedure and terms of disclosure of insider information**

4.2.1. Insider information of the Company is disclosed in the manner and terms set by the RF legislation on disclosure of insider information of persons specified in the Law.

4.2.2. The following insider information shall not be disclosed:

decisions taken by the board of directors on matters within its competence in accordance with the charter, if such information in the prescribed manner relates to confidential information/trade secrets, except for information about decisions taken by the board of directors on matters within its competence in accordance with federal laws;

on terms and conditions of an agreement on maintenance (stabilization) of prices for the issuer's equity securities (securities of a foreign issuer, certifying rights in relation to equity securities of the Russian issuer), except for the duration of the specified agreement.

#### **4.3. The list of insiders**

4.3.1. Kubanenergo PJSC keeps the list of insiders according the requirements of the Law.

4.3.2. The list of insiders of Kubanenergo PJSC includes the following:

- Director General (a person performing the functions of the sole executive body) of the Company;
- Members of the Management Board of the Company;
- Members of the Board of Directors of the Company;
- Members of the Company's Audit Commission;
- Heads of branches and representative offices of the Company;
- Deputies Director General of the Company;
- Chief advisers/advisers, assistant managers of the Company;
- Heads of structural subdivisions of the Company;
- The Company's employees who have access to insider information granted by employment and (or) civil law contracts;
- Information agencies that provide information disclosure;
- Persons assigning ratings to Kubanenergo PJSC; and
- Persons who have access to insider information granted by agreements concluded with Kubanenergo PJSC (including auditors, appraisers, professional participants in the securities market, credit and insurance organizations).

4.3.3. Kubanenergo PJSC notifies the persons included in the list of insiders on their inclusion in and exclusion from such a list in accordance with the Law.

4.3.4. Kubanenergo PJSC has the right to request from insiders, included in the list of insiders of the Company, information about transactions with securities related to insider financial instruments and the conclusion of contracts that are derivative financial instruments, and the price of which depends on such securities.

4.3.5. The persons included in the list of the Company's insiders are responsible for abuse of insider information, market manipulation and violation of the requirements of the legislation on countering illegal use of insider information and market manipulation in accordance with the legislation of the Russian Federation.

4.3.6. Making transactions with insider financial instruments by individuals included in the list of the Company's insiders, as well as persons related to them with violation of the conditions for such

transactions, defined in section 4.4 hereof, is the basis for bringing such persons to civil and (or) other types of responsibility.

#### **4.4. Terms and conditions of transactions with insider financial instruments**

4.4.1. Insiders must refrain from making any transactions with insider financial instruments during inside periods.

4.4.2. The inside period begins no later than 15 calendar days before the signing of the accounting (financial) statements prepared in accordance with Russian Accounting Standards (RAS) and consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS), and ends on the day following the day of publication of the statements.

4.4.3. Kubanenergo PJSC at the beginning of the calendar year informs insiders about inside periods by posting information on the Company's official website on the Internet.

#### **4.5. Control of compliance with the laws on insider information**

4.5.1. Control of compliance with the requirements of the Law and the legal acts, adopted in accordance with it, is carried out by a structural subdivision (official) determined by organizational and administrative documents of Kubanenergo PJSC.

4.5.2. The structural subdivision (official) that monitors the compliance with the Law and the regulations, adopted in accordance with it, reports to General Director.

4.5.3. The structural subdivision (official), which monitors compliance with the Law and regulations, adopted in accordance with it, annually, not later than 90 days from the end of the reporting year, submits to General Director a report on compliance with the requirements of the legislation on control of insider information at Kubanenergo PJSC.

4.5.4. Control of compliance with legislation in the field of insider information includes:

- identification of information as insider and its inclusion in the list of insider information of Kubanenergo PJSC;
- control of completeness and update of the List of insider information of Kubanenergo PJSC;
- control of disclosure of the List of insider information of Kubanenergo PJSC on the Company's official website on the Internet;
- control of maintaining the list of insiders;
- control of the notification of insiders about their inclusion (exclusion) in (from) the list;
- monitoring of fulfillment of the obligation to send the list of insiders to trade organizers and the Bank of Russia in accordance with the legislation;
- control over the compliance of the Company's structural subdivisions dealing with insider information with the requirements of the law and local regulations of the Company in the area of countering the unlawful use of insider information and market manipulation;
- control over the procedure and timing of disclosure and provision of insider information;
- advising employees of the Company on issues related to application of legislation in the field of countering the unlawful use of insider information and market manipulation, as well as local regulations of the Company in this area;
- development of local regulatory acts of the Company on the issues of combating illegal use of insider information and market manipulation;
- control over the compliance of the Company's internal documents with the requirements of legislation in the sphere of countering the unlawful use of insider information and market manipulation.

#### **4.6. Final provisions**

4.6.1. Approval of these Regulations, well as introduction of changes and additions, is performed upon a decision of the Board of Directors of the Company.

4.6.2. In case of introduction of amendments to the legislation of the Russian Federation in the field of counteraction to unauthorized use of the insider information, these Regulations will work in the part which does not contradict the legislation of the Russian Federation.

4.6.3. Invalidity of specific provisions of these Regulations does not result in recognition of invalidity of other provision hereof in general.

4.6.4. Control of implementation of these Regulations is exercised by the Director General of the Company.