

APPROVED

by Resolution of the Board of Directors  
of the PJSC “PhosAgro” dd.15.11.2016  
(minutes of the meeting of the Board of Directors  
dd. 18.11.2016, No.n/a)

**Regulations  
on Inside Information  
of the Public Joint-Stock Company  
“PhosAgro”**

## **1. INTRODUCTION**

1.1. These Regulations on Inside Information (hereinafter - the “Regulations”) have been drafted in accordance with the Federal Law dd. July 27, 2010 No. 224-FZ “On Prevention of Unlawful Use of Inside Information and Market Manipulation and on Amendments to Certain Legislative Acts of the Russian Federation” with all amendments and supplements (hereinafter - the “Federal Law”), the Federal Law dd. April 22, 1996 No. 39-FZ “On Securities Market” with all amendments and supplements, the Federal Law dd. December 26, 1995 No. 208-FZ “On Joint-Stock Companies” with all amendments and supplements, legislative acts of the federal executive body in the sphere of financial markets, the Market Abuse Regulation of the European Union (REGULATION (EU) dd. April 16, 2014 No.596/2014) (hereinafter - the “MAR”), the Charter of the Public Joint-Stock Company “PhosAgro” (hereinafter - the “Company”) and internal documents of the Company.

1.2. These Regulations shall govern:

- the procedure for determining the scope of inside information;
- the procedure for drawing up the Company`s insider list and making the insider list available to all stakeholders;
- the rules of notifying insiders by the Company and the rules of notifying the Company and the authorities responsible for securities control, by the insiders;
- the procedure for getting access to inside information and making inside information available to stakeholders;
- the rules of protecting confidentiality of inside information;
- the rules of making transactions in the Company`s securities by insiders;
- the rules of control over compliance with the Legislation and these Regulations;
- other issues relating to the use and protection of inside information.

1.3. These Regulations have been approved with the aim of further development of the Company`s corporate governance practice, its adjustment to the legislation of the Russian Federation and the European Union, international standards of corporate governance, the requirements of auctioneers on the securities market.

## **2. TERMS, DEFINITIONS AND ABBREVIATIONS**

2.1. The following definitions shall be applied in these Regulations:

2.1.1. Company – the Public Joint-Stock Company “PhosAgro”.

2.1.2. Legislation - the Federal Law dd. July 27, 2010 No. 224-FZ “On Prevention of Unlawful Use of Inside Information and Market Manipulation and on Amendments to Certain Legislative Acts of the Russian Federation” with all amendments and supplements, the Federal Law dd. April 22, 1996 No. 39-FZ “On Securities Market” with all amendments and supplements, the Federal Law dd. December 26, 1995 No. 208-FZ “On Joint-Stock Companies” with all amendments and supplements, the Market Abuse Regulation of the European Union (REGULATION (EU) dd. April 16, 2014 No.596/2014) as well as legislative acts of the federal executive body in the sphere of financial markets, adopted according to the abovementioned laws and regulations together with the legislative acts of the European Union.

2.1.3. Inside Information – precise information, not public (including commercial secret, official secret, or any other legally protected secret), which, if public, would have a significant effect on the prices of financial instruments, and which is referred to the information included in the list of inside information approved by the Federal Executive Authority for Securities Market as well as included in the list of inside information, approved by the Company according to the requirements of the Legislation.

2.1.4. Insider – a person, who has access to the inside information pursuant to laws, other legal regulations, subject to his official capacity or the Company`s internal documents, as well as under an agreement with the Company.

2.1.5. Persons discharging managerial responsibility (PDMR) – persons included in the respective list of the Company, including, among other things:

- Members of the Company`s Board of Directors; the Chief Executive Officer (CEO); members of the Company`s Management Board;

- Deputies to the Company`s CEO, the Company`s Chief Operating Officer; the Company`s Director for Economic Affairs and Finance;

2.1.6. Persons closely associated (PCA) shall mean:

- a) a spouse of the person discharging managerial responsibility;
- b) dependent children of the person discharging managerial responsibility, under 18 years of age and not having a spouse;
- c) relatives of the person discharging managerial responsibility, who have shared the same household for at least one year on the date of the transaction concerned;
- d) a legal person, trust or partnership the managerial responsibility of which are discharged by a person discharging managerial responsibilities or by a person referred to in point (a), (b) or (c), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person.

2.1.7. Closed period – 30 days period before the announcement of interim or year-end financial reports, drafted according to Russian and international accounting and reporting standards;

2.1.8. Company`s Securities – any securities of the Company and derivative financial instruments, including, among other things, global depository receipts (GDR), other derivatives, which the price depends on the price of the Company`s securities and/or the underlying asset of which are the Company`s securities, as well as loan participation notes and other financial instruments, listed outside of the Russian Federation, confirming loan liabilities which are to be discharged at the Company`s expense.

2.2. The following abbreviations shall be applied in these Regulations:

2.2.1. FCA – the Financial Conduct Authority, the main regulation body to control the securities market in Great Britain.

2.2.2. CLAD – the Corporate and Legal Affairs Directorate of the Company.

2.2.3. HRSPD – the Human Resources and Social Policy Director of the Company.

2.2.4. CFD – the Corporate Finance and Investor Relations Department of the Company.

2.2.5. CSS – the Corporate Secretary Staff of the Company.

2.2.6. IAD – the Internal Audit Directorate of the Company.

### **3. PROCEDURE FOR ACCESS TO INSIDE INFORMATION AND RULES OF ITS PROTECTION**

3.1. According to the Legislation the Company shall approve its own list of inside information, which shall be disclosed on Internet, on the Company`s official web site.

3.2. The inside information shall not include:

- information, which became publicly available, including as a result of its release;
- researches, forecasts and evaluations relating to financial instruments, foreign currency and/or commodities, as made on the basis of publicly available information, and recommendations, and/or offers for transactions with financial instruments, foreign currency and/or commodities;
- inside information after its official disclosure according to the Legislation in force.

3.3. Access to inside information shall be given to the Company`s employees, who:

- are included in the Company`s Insider list, according to section 5 of these Regulations;
- have undertaken, according to the Company`s Regulations on Commercial Secret, to keep confidential the information qualified as the Company`s commercial secret, and have read and understood under the established procedure, the documents, determining the rules applicable to commercial secret in the Company (including the list of information qualified as the Company`s commercial secret).

3.4. Access to inside information shall also be given to third parties, if they need it for performing their duties, set by the Legislation, or for performing an agreement, provided that such persons have been included in the insider list.

3.5. Measures for keeping information confidential, indicated by the rules for commercial secret, shall also be applicable to inside information, including, among other things:

- locking down access to inside information for persons, who are not included in the insider list;
- eliminating the risk of unintentional access to inside information;
- limited access to premises, where inside information may be stored;
- prohibition of inside information storage in hard copy outside of filing cabinets, safes and rooms that can be locked;
- prohibition of inside information storage and communication in electronic form by means enabling access to such information by non-authorized persons;
- prohibition of inside information discussion before persons without access to such information, as well as in common areas where it can be available to non-authorized persons;
- the obligation to destroy any tangible storage medium with inside information, by means eliminating the possibility of its restoration.

If stipulated by the Legislation, the Company may adopt stronger measures to keep inside information confidential, as compared with those, provided for by the rules applicable to commercial secret.

3.6. Persons with access to inside information shall adhere to restrictions (prohibitions), stipulated by the Legislation on force and these Regulations.

3.7. When making employment and civil agreements with individuals receiving under such agreements access to the Company`s inside information, such individuals shall sign a supplement agreement, according to which such individual shall undertake to observe the requirements of these Regulations and the Legislation (Addendum 6 to these Regulations).

The supplement agreement to the contract of employment (the civil agreement) shall be signed no later than one (1) business day after including the individual in the Company`s Insider list, provided that the employment or civil agreement has already been made between the Company and such individual.

#### **4. DISCLOSURE OF INSIDE INFORMATION**

4.1. The procedure and the period of disclosing or communicating inside information shall be stipulated by the Legislation. The special aspects of information disclosure due to the Company`s Securities` listing on foreign trading platforms are indicated in article 17 of the MAR.

4.2. The CLAD shall be the structural unit in charge if information disclosure according to the applicable Russian legislation.

4.3. In cases where the MAR allows for reasoned delaying of inside information disclosure, the CSS shall be the structural unit in charge of deciding to disclose or to delay on reasonable grounds such information disclosure. In particular, such information may include information on holding negotiations regarding deals which may affect the value of the Company`s Securities. The Chief Executive Officer, members of the Company`s collective executive body, heads of the CFD and the CLAD shall undertake to notify in written

form the head of the CSS of the fact relating to the abovementioned information which came to their notice, within one (1) business day.

## **5. INSIDER LIST AND THE LIST OF PERSONS CLOSELY ASSOCIATED**

5.1. In order to comply with the Legislation requirements for keeping and providing the list of insiders, the Company shall:

- keep the list of insiders in electronic form;
- notify, according to the procedure, stipulated by the Legislation, the persons included in the insider list of their inclusion in such list and their exclusion from the same, of any changes in the Company`s details, and shall inform such persons of the Legislation requirements;
- provide the insider list to the market operators through which transactions in financial instruments are made, as well as to authorities responsible for control over financial markets, according to the procedure, stipulated by the Legislation.

5.2. According to these Regulations, access to the list of the Company`s insiders shall be given to:

- the members of the Company`s Board of Directors;
- the members of the Audit Committee of the Company`s Board of Directors;
- the CEO (the person performing the duties of the CEO, the temporary sole executive body) of the Company;
- the staff of the Company`s CSS;
- other persons indicated in these Regulations and other internal documents of the Company.

5.3. The templates for the Company`s insider list are attached hereto as Addendums 1-3. The list shall include the following sections:

5.3.1. Permanent insiders. The list template is attached hereto as Addendum 1. This section shall include subsections with information on persons who are given access to any inside information at any time:

- 1) persons discharging managerial responsibility (clause 2.1.4.);
- 2) members of the Company`s Review Committee;
- 3) individuals given access to the Company`s inside information under contracts of employment and (or) civil agreements they have made with the Company;
- 4) other persons who are to be included in the Company`s insider list according to the Legislation.

5.3.2. Insiders for particular transactions. The list template is attached hereto as Addendum 2. This section shall include information on persons who are given access to inside information on a particular transaction. Such list may include, among other things:

- 1) persons given access to the Company`s inside information under the Company`s agreements, including auditors (audit companies), valuers (legal entities, with whom valuers made employment contracts), professional participants of the securities market, credit organizations, insurance companies, consultants;
- 2) information agencies, disclosing or making available the Company`s information;
- 3) persons assigning ratings to the Company;
- 4) individuals given access to the Company`s inside information under employment and/or civil contracts made between them and the Company;
- 5) other persons who are to be included in the Company`s insider list according to the Legislation.

5.3.3. Along with the lists templates attached hereto as Addendum 1 and Addendum 2 the Company shall keep the list of such persons in the form attached hereto as Addendum 3.

5.4. Along with the lists, stipulated by clause 5.3., the Company shall keep a list of persons closely associated (clause 2.1.6 of the Regulations) in the form attached hereto as Addendum 1.1.

5.5. The CSS shall be the structural unit responsible for complying with the requirements of the Legislation in relation to keeping and providing the Company's insider list and the list of persons closely associated.

5.6. For updating the insider list and the list of persons closely associated the CSS shall:

5.6.1. Receive from the persons discharging managerial responsibility information on persons closely associated with them in the form attached hereto as Addendum 1.1, as well as the consent of persons closely associated with them for their personal data processing according to the Federal Law dd. July 26, 2006 No. 152-FZ "On Personal Data".

5.6.2. Receive information in the scope, enough for filling in the Addendums 1-3 to these Regulations:

- from the HRSPD – regarding staff rotation in the Company, no later than one (1) business day after appointment / dismissal of the employee;

- from the CLAD – regarding transactions, which require inside information communication to the counterparty, no later than one (1) business day after the CLAD has received the respective information.

With reference to the information regarding transactions, which require inside information communication to the counterparty, received from the CLAD, the CSS shall have the right to request from the Company's officer (or an officer of the Company's structural unit), initiating the transaction, such information which is necessary for filling in Addendum 2 to these Regulations. The persons initiating the respective transactions shall provide such information before closing the transaction, at the request of the CSS.

5.6.3. The CSS, with due consideration to the opinion of the HRSPD and the CLAD shall make the final decision on qualifying as inside the information, the access to which is given or is necessary under an employment agreement being made or according to a civil transaction.

5.7. The procedure of notifying persons included in the Company's insider list of their inclusion in such list and their exclusion from the same, as well as the procedure under which the Company shall provide insider lists to trade operators through which the Company's transactions with securities are made, shall be set by the Legislation. The template notification of an insider by the Company is attached hereto as Addendum 5.

5.8. The Company shall keep in electronic form each version of the insider list and of the list of persons closely associated for at least 5 years after the date of making amendments to them or the date of providing the respective list to the competent authority. The Company shall keep information about all notifications sent, and other records relating to the person included in the insider list, for at least 5 years from the date of such person exclusion from the insider list.

## **6. INSIDERS' DUTIES IN RELATION TO THE USE OF INSIDE INFORMATION**

6.1. Inside information shall not be used:

1) for transactions in financial instruments, which are covered by inside information, to be made at one's own expense or at the expense of any third party, unless transactions are made with the purpose to perform the obligation relating to purchase or sale of financial instruments, which has become mature, provided that such obligation occurred as a result of a transaction that had been made before a person became aware of inside information;

2) by means of such information communication to another person, except for cases

- of such information communication to a person included in the Company's insider list in connection with performance of obligations stipulated by the federal laws or of employment duties, or of a contract;

- of such information communication in market soundings, subject to rules set by article 11 of the MAR;

3) by giving recommendations to third parties, obliging or compelling such persons otherwise to acquire or sell financial instruments.

6.2. Actions relating under the Legislation to market manipulation, are not authorized.

6.3. Submission of inside information for its publication to media outlets, chief editors, journalists or other officials as well as publication of inside information in media outlets shall not constitute breach of interdiction stipulated by paragraph 2 of clause 6.1 of these Regulations. Submission of such information for its publication or publication of such information shall not release from liability for illegal receipt, use, disclosure of information constituting official secret, tax secret, commercial secret, bank secret, communication secret (with regard to information about postal transfers of funds) and any other legally protected secret as well as from obligation of disclosing and providing inside information.

6.4. The CFD shall be the structural unit responsible for performing the Company`s obligations in relation with market soundings in case of making deals or making arrangements for deals.

## **7. DUTIES IN RELATION TO TRANSACTIONS IN CLOSED PERIODS**

7.1. Persons discharging managerial responsibility shall not perform any transactions in the Company`s securities in any Closed period or another period, during which they have inside information.

The Company seeks that a similar obligation is adopted by other insiders of the Company.

The Company may at an insider`s substantiated request issue an opinion on the presence or absence of potential risk of infringement of interests of the Company`s Securities` owners in case the insider performs a transaction while he has inside information. Such opinion is the Company`s own and personal opinion and it shall not exempt the insider`s liability for the decision to perform the transaction, in case it breached the Legislation.

7.2. In exceptional cases, in particular in case an insider has serious financial difficulties, where immediate sale of shares is required, the Company may permit an insider to make a transaction in the Company`s securities during a Closed period.

7.3. Persons discharging managerial responsibility shall seek to prevent persons closely associated with them from performing transactions in the Company`s Securities during any Closed period. For this purpose, persons discharging managerial responsibility shall inform persons closely associated with them of the following:

- that they are persons discharging managerial responsibility in the Company;
- of closed periods, when such persons shall not be recommended to perform transactions in the Company`s securities;
- of obligatory immediate notification of the Company about transactions by persons closely associated with them in the Company`s Securities.

The template notification is attached hereto as Addendum 4. Persons discharging managerial responsibility shall keep copies of such notifications.

7.4. The CSS shall notify persons discharging managerial responsibility of beginning and end of each Closed period by e-mail.

## **8. NOTIFICATIONS OF TRANSACTIONS**

8.1. Individuals included in the Company`s insider list as well as the Company`s managing entity (if available) shall notify the Company of their transactions in the Company`s Securities, within ten (10) business days after the respective event, if not provided otherwise by clause 8.3. The notification template is attached hereto as Addendum 7.

8.2. Other persons in the Company`s insider list shall at the Company`s request send a notification to the Company, in the form attached hereto as Addendum 7.

8.3. Persons discharging managerial responsibility, included in the Company's insider list as well as persons included in the list of persons closely associated, shall notify the Company of their transactions in the Company's securities, within two (2) business days after the respective event in the form attached hereto as Addendum 7.

8.4. Notifications regarding the transactions by insiders, shall be sent to the Bank of Russia, at its request (on its demand, according to its order).

8.5. The Company's insider who has received a request from the Company or the Bank of Russia, shall send a notification of transactions performed by him to the respective addressee within ten (10) business days from the date he received the respective request (demand, order).

8.6. Notifications stipulated by clauses 8.1-8.3 of these Regulations, shall be sent to the Bank of Russia and the Company by such means, which shall ensure confirmation of the notification receipt, including, among other things, by their submission to the mail room (and to the CSS in case of the Company), by sending certified mail, by sending electronic documents signed by a digital signature.

8.7. Notifications, indicated in clauses 8.1-8.3 of these Regulations, on more than one page, shall be numbered, bound and signed on each page or in the place where the pages are bound together. A notification sent by a legal person on paper shall bear the seal of such legal person.

8.8. Notifications, sent to the Company by insiders-individuals, shall contain personal information about such individuals and shall be confidential (according to clause 7 of the Federal law dd. 26.07.2006 No. 152-FZ "On Personal Data").

8.9. The CSS shall analyze possible use of inside information while performing transactions, indicated in the notifications, as provided by clauses 8.1-8.3 of these Regulations, and shall detect insiders' transactions which have not been indicated in the notifications.

8.10. Basing on the received notifications the CSS shall according to the MAR (article 19) check the reasons for disclosing the information on the transactions, and if they are present, the CSS shall within three (3) business days after performing the respective transaction provide the CFD with information to be disclosed and shall notify the CFD of the following actions to be taken:

- Loading on the FCA web site of information on the transactions by persons discharging managerial responsibility and persons closely associated with them;
- Filling in and disclosing (or sending for disclosure) according to the MAR rules, the information on the transactions by persons discharging managerial responsibility and persons closely associated with them, in the form attached hereto as Addendum 8.

The CFD shall be in charge of information disclosure according to this clause.

## **9. ARRANGEMENT AND CONTROL OVER COMPLIANCE WITH THE LEGISLATION ON INSIDE INFORMATION**

9.1. The CSS shall be the Company's structural unit responsible for compliance with the Legislation, and it shall perform the following functions:

- prepare and propose for approving by the authorized bodies of the Company's internal documents' drafts, related to arranging and improving the Company's activities in the sphere of using and protecting inside information;
- keep the Company's insider list and the list of persons closely associated with them, arrange notifications relating to keeping these lists to be sent and kept record of;
- notify the persons discharging managerial responsibility of Closed periods;
- consider potential use of the Company's inside information for performing transactions with the Company's Securities, draft and send to the Audit Committee of the Company's Board of Directors a report



on the Company's compliance with the Legislation requirements in relation to protection and use of inside information and these Regulations. Such report shall include among other things information on the transactions performed by insiders in the Company's Securities;

- send to the Company's Board of Directors a report, which has been considered by the Audit Committee of the Company's Board of Directors, on the Company's compliance with the Legislation requirements in relation to protection and use of inside information and the Company's internal documents, drafted and approved basing on such requirements;

- analyze the reasons for disclosure of information on transactions of insiders and persons closely associated with them, according to the MAR requirements, and arrange the disclosure of such information;

- advise the Company's employees on the Legislation application.

9.2. When performing their job duties the staff of the CSS shall have the right to:

- receive and keep the Company's inside information;

- request and receive from persons included in the Company's insider list, information and/or documents, relating to compliance with the Legislation in the sphere of using and protecting inside information and these Regulations;

- perform any other acts necessary for the Company's compliance with the Legislation in relation to protection and use of inside information and these Regulations.

9.3. The IAD shall be in charge of control over the compliance by the Company's management bodies and its employees with the Legislation and the Company's internal documents, relating to inside information.

9.4. The staff of the IAD shall be insiders and shall be included in the Company's insider list.

## **10. LIABILITY**

10.1. The Company's insiders shall be liable for unlawful use of inside information and may be brought to responsibility according to the Legislation and/or agreements made with the Company.

10.2. Other persons not included in the Company's insider list, who communicate inside information or make transactions in the Company's Securities with inside information application may also be held liable.

10.3. Persons responsible for unauthorized communication of the Company's inside information, making transactions in breach of Russian Legislation, with using the Company's inside information, as well as another unlawful use of inside information, shall be liable under the Legislation.

10.4. Persons, which have suffered losses as a result of illegal use of the Company's inside information and (or) market manipulation, shall have the right to claim compensation from persons whose actions resulted in such losses.

## **11. FINAL PROVISIONS**

11.1. In case of inconsistency of any clause of these Regulations with the Legislation in force or the Company's Charter, such clauses shall become invalid. In case any provision of these Regulations shall be invalid, the validity of the remaining provisions or the Regulations as a whole shall not in any way be affected or impaired thereby.

11.2. Any amendments and/or supplements to these Regulations shall be approved by the Company's Board of Directors.