

**To the General Meeting of Shareholders  
of Sistema PJSFC**

**INTERNAL AUDITOR'S OPINION  
OF SISTEMA  
PUBLIC JOINT STOCK FINANCIAL CORPORATION  
FOR THE YEAR 2020**

Date and location: 17 May 2021, Moscow, Russian Federation.

The internal auditor's opinion was prepared pursuant to clause 3 of Article 52 of the Federal Law No 208-FZ "On Joint-Stock Companies" (as amended on 04 November 2019) by the Internal Audit Department (hereinafter, "the IAD") of Sistema PJSFC (hereinafter, "the Company"). The IAD is an independent division of the Company reporting to the Company's Board of Directors.

In accordance with the Policy on Internal Audit approved by the Company's Board of Directors, the IAD provides independent assurances and advice in order to assist the Company's governance bodies in improving the effectiveness of the risk management, internal control and corporate governance systems.

In 2020, there were no restrictions on the IAD's rights that could negatively affect the functioning of internal audit.

To assess objectively the reliability and effectiveness of the risk management, internal control and corporate governance systems for 2020, the IAD conducted internal audits in accordance with the plan for 2020 approved by the Company's Board of Directors. The audit plan was developed using primarily a risk-based approach.

The methodology and criteria for assessing the reliability and effectiveness of the risk management and internal control systems developed by the IAD are described in the Company's internal regulations.

The audits conducted in 2020, among other things, established that the risk management, internal control and corporate governance procedures are integrated into strategic and operational activities of the Company and its subsidiaries and affiliates and comply with the approaches and principles established by the Company's Board of Directors. The audits completed by the IAD did not identify any material deficiencies that could affect the stability of the Company's business. Specific comments on various aspects of audits were communicated to

stakeholders in a timely manner; recommendations for remedying the identified deficiencies were developed and are being implemented.

The Audit, Finance and Risk Committee of the Company's Board of Directors assessed the IAD's performance in 2020 as effective.

Based on the results of the audits, the IAD believes that the corporate governance, internal control and risk management systems in the Company overall comply with the current business needs and provide reasonable assurance in achieving the set objectives.

**Chief Auditor  
of Sistema PJSFC**

\_\_\_\_\_ E. Madorskiy