

APPROVED

By PJSC Acron Board of Directors

Minutes No. 570 dated 30 September 2016

**REGULATION ON
PJSC ACRON INTERNAL AUDIT**

1. GENERAL PROVISIONS

1.1. This Regulation on PJSC Acron Internal Audit (hereinafter “Regulation”) is made in accordance with current Russian law and the Charter and bylaws of Public Joint Stock Company Acron (hereinafter “Company”), and in compliance with the securities listing rules of the trade organiser admitting the Company’s securities to organised trading and the recommendations of the Corporate Governance Code recommended for use at joint stock companies by the Bank of Russia (hereinafter “Corporate Governance Code”).

1.2. The purpose of this Regulation is to define the status of internal auditing at the Company, its principles and other organisational bases, as well as the goals, objectives and functions of internal auditing, the powers, rights and responsibilities of the team performing internal auditing functions, and other conditions of conducting internal auditing at the Company.

1.3. Internal auditing is an activity performed by a separate team at the Company. The internal auditing process aims at improving the Company's operations and is conducted through systematic and independent evaluation (inspection) of the Company's current risk management and internal control system reliability and efficiency in order to provide management bodies with independent and objective assurance and advice on the appropriate level of efficiency and effectiveness of the Company's operations, the accuracy and timeliness of the Company’s accounting (financial) and other statements, and on its compliance with applicable laws.

1.4. The Company’s internal auditing shall be performed based on the following principles:

Continuity. The Company shall create and maintain on a permanent basis a separate team that shall perform internal auditing functions regularly and consistently.

Independence. The Company shall keep the operations of the separate team performing internal auditing functions independent from the influence of executive bodies and/or individual shareholders, as well as from other conditions and circumstances that may pose a threat to the team’s ability to perform its functions in an impartial and non-biased manner.

Objectivity. The Company shall ensure that the separate team performing internal auditing functions operates under conditions allowing the team’s officers (employees) to shape their professional opinions independently (not based on the opinion of a third party) and without any conflicts of interest.

Professional competence. The Company shall ensure that the officers (employees) of the team performing internal auditing functions have a sufficient level of knowledge, experience and qualifications, as well as continuous professional development appropriate to their professional responsibilities.

Legality. The Company shall ensure that its internal auditing process and audit results comply with applicable laws, this Regulation and other corporate bylaws.

Conscientiousness. The Company shall ensure that the officers (employees) of the team performing internal auditing functions fulfil their duties conscientiously, as expected of prudent and

qualified persons with impeccable reputations acting in the interests of the Company and its shareholders.

Confidentially. The Company shall ensure the confidentiality of the data and information in documents obtained during internal audit, and shall prevent the use (disclosure) of such data and information for personal and other purposes not related to internal audit, except for cases when the disclosure of such data and information, as well as internal auditing results, is stipulated by applicable laws, this Regulation and other corporate bylaws.

1.5. This Regulation shall apply regardless of the Company's financial and economic activities both in the Russian Federation and abroad, and shall be binding for all authorities and officers (employees) of the Company.

This Regulation shall also apply to the internal auditing process of financial and economic activities at the Company's controlled legal entities.

1.6. The Company shall disclose this Regulation by publishing it on its website.

Information on the internal auditing process shall be disclosed on the Company's website. Information on the results of the annual evaluation of the effectiveness of the internal auditing conducted by the Board of Directors Audit Committee shall be disclosed in the Company's annual report.

2. INTERNAL AUDITING ACTIVITIES

2.1. Internal auditing shall be performed in the Company through establishment and operation of the Company's Internal Audit Department - a separate team performing internal auditing functions envisaged hereby.

2.2. The activity of the team performing internal auditing functions shall be conducted in accordance with the Company's Charter, this Regulation and other corporate bylaws.

The activity of the team performing internal auditing functions shall be guided by the requirements of current Russian law, the Company's Charter and bylaws, resolutions of general shareholders meetings and the Company's Board of Directors, and listing rules applicable to the Company, and shall also adhere to the recommendations of the Corporate Governance Code and apply common internal auditing standards, specifically the International Standards for the Professional Practice of Internal Auditing by the Institute of Internal Auditors.

2.3. In order to ensure the independence of the team performing internal auditing functions, its functional and administrative accountabilities have been clearly defined.

The team performing internal auditing functions shall be functionally subordinate and accountable to the Board of Directors, and administratively subordinate to the Company's CEO.

2.3.1. As part of the internal auditing team's functional subordination to the Company's Board of Directors

1) The Company's Board of Directors shall:

- Approve internal auditing policy (the Regulation on Internal Audit) and review compliance with this policy, including reviewing compliance reports on the functions and practices of the team performing internal auditing
- Approve a nominee for the post of head of the team performing internal auditing functions (appoint a person to perform these duties) and pass a resolution terminating his or her powers
- Approve a work plan and budget for the team performing internal auditing functions
- Review reports from the team performing internal auditing functions and evaluate its effectiveness
- Set the amount, terms and procedure for remuneration paid to the head of the team performing internal auditing functions

2) The Audit Committee of the Board of Directors shall:

- Perform a preliminary evaluation and provide recommendations to the Company's Board of Directors on approving internal auditing policy (the Regulation on Internal Audit)
- Perform a preliminary evaluation and provide recommendations to the Company's Board of Directors on approving a nominee for the post of head of the team performing internal auditing functions (appointing a person to perform these duties) and passing a resolution on terminating his or her powers
- Perform a preliminary evaluation and provide recommendations to the Company's Board of Directors on setting the amount, terms and procedure for remuneration paid to the head of the team performing internal auditing functions
- Perform a preliminary evaluation and provide recommendations to the Company's Board of Directors on approving the annual work plan and budget for the team performing internal auditing functions
- Review information on the current progress of the internal auditing team's work plan, as well as intermediary results of internal auditing
- Perform a preliminary evaluation and provide recommendations to the Board of Directors on approving reports on the implementation of the internal auditing team's annual work plan
- Review the internal auditing team's key reports, including reports on the results of an evaluation of the effectiveness of the risk management and internal control system , make proposals for their improvement and supervise timely adoption of necessary measures to eliminate shortcomings and violations identified by the Company's executive bodies
- Evaluate the effectiveness of the internal auditing functions implemented at the Company and coordinate the programme (plan) aimed at improving the effectiveness of internal auditing at the Company

- Address issues related to ensuring the independence and objectivity of internal auditing functions, including reviewing existing limitations of authority and budget for internal auditing implementation that can adversely affect the performance of the internal auditing functions
- Address issues to ensure effective cooperation between the team performing internal auditing functions and Company's external auditors
- Review and set requirements for nominees for the posts of head and other officers (employees) of the team performing internal auditing functions.

3) The Chairperson of the Company's Board of Directors shall:

- Meet in person with the head of the team performing internal auditing functions and discuss issues related to ensuring effective performance of internal auditing functions
- Review reports on conflicts of interest involving the head of the team performing internal auditing functions
- Address issues related to limitations of authority of the team performing internal auditing functions or other impediments to its activity that can adversely affect internal auditing

2.3.2. As part of the internal auditing team's administrative subordination to the Company's CEO

The Company's CEO shall:

- Approve the regulation on the team performing internal auditing functions, including setting the team's organisational structure, responsibilities and number of employees based on the internal auditing functions defined herein, as well as based on the internal auditing annual work plan and budget approved by the Company's Board of Directors
- Exercise the rights and obligations of the Company as the employer of the head and other officers (employees) of the team performing internal auditing functions, in accordance with internal labour regulations, other corporate bylaws and labour law
- Ensure allocation of funds and resources necessary for performing internal auditing functions within the approved budget for the team performing internal auditing functions
- Support cooperation between the team performing internal auditing functions and other Company departments and officers (employees)
- Approve the corporate bylaws establishing specific procedures, forms and methods of internal auditing, as well as the content of internal audit reports upon proposal of the internal auditing team's head
- Review reports on the activity of the team performing internal auditing functions regarding its assessment of the reliability and efficiency of the risk management and internal control system, as well as reports on other internal auditing results, and ensure adoption of necessary measures to eliminate shortcomings and violations that are identified.

2.4. The head of the team performing internal auditing functions shall be appointed by the Company's CEO based on a nomination resolution by the Board of Directors.

A nominee for the post of head of the team performing internal auditing functions shall be approved by the Board of Directors upon the recommendation of the Chairman of the Board of Directors, another member of the Board of Directors or the Company's CEO. Recommendations on nominees shall be submitted in writing along with a nominee profile containing information on the nominee's compliance with the requirements defined in accordance with the procedure specified in Clause 2.10 hereof.

The Board of Directors Audit Committee shall conduct a preliminary review of nominees for the post of head of the team performing internal auditing functions, which shall include assessing a nominee's compliance with the requirements hereof and providing recommendations to the Board of Directors for approving a nominee for the post of head of the team performing internal auditing functions.

2.5. The head of the team performing internal auditing functions shall be dismissed by the CEO if the Board of Directors resolves to terminate his or her powers.

The Board of Directors may decide to terminate the powers of the head of the team performing internal auditing functions upon the proposal of the Chairman of the Board of Directors, other Board Members or the Company's CEO.

If a resolution is passed to terminate the powers of the head of the team performing internal auditing functions, the Board of Directors shall appoint a new nominee for the post of head of the team performing internal auditing functions or appoint a person to perform those duties in the interim until the appointment of a new head of the team performing internal auditing functions.

2.6. Cooperation between the Company and the head of the team performing internal auditing functions shall be governed by this Regulation, other corporate bylaws and labour law.

The Board of Directors shall set the amount, terms and procedure for remuneration paid to the head of the team performing internal auditing functions.

The Board of Directors Audit Committee shall perform preliminary review and make recommendations to the Board of Directors regarding the amount, terms and procedure for remuneration paid to the head of the team performing internal auditing functions.

2.7. If the head of the team performing internal auditing functions is temporarily unable to perform his or her duties, they shall be performed by the acting head of the team, who shall be appointed by the CEO upon resolution by the Board of Directors to appoint an acting head of the team performing internal auditing functions.

2.8. The head of the team performing internal auditing functions shall be administratively subordinate to the CEO and functionally directly subordinate to the Board of Directors.

The head of the team performing internal auditing functions shall report on the internal auditing team's results to the CEO, the Board of Directors and the Board of Directors Audit Committee.

2.9. Internal auditing shall be conducted at the Company using common internal auditing standards, in particular, the International Standards for the Professional Practice of Internal Auditing by the Institute of Internal Auditors, and in accordance with the corporate bylaws, which establish specific procedures, forms and methods of internal auditing and the content of reports on internal auditing results.

2.10. The Board of Directors Audit Committee shall establish requirements for nominees for the posts of head and other officers (employees) of the team performing internal auditing functions, including required qualifications, knowledge, work experience and other professional qualities, upon the proposal of the head of the team performing internal auditing functions, taking into account the nature of the duties performed by these persons and the Company's labour management system, as well as the requirements specified in relevant job evaluation manuals or professional standards.

2.11. The head and other officers (employees) of the team performing internal auditing functions must refrain from any actions that shall or may result in any conflicts of interest.

If a person concerned has a conflict of interest, including a potential conflict of interest (any contradiction between the Company's interests and the personal interests of the person concerned), such person shall promptly inform in writing the head of the team performing internal auditing functions about the actual or potential conflict of interest, as well as about any grounds for a conflict to arise. If the team's head has a conflict of interest, he or she shall inform the Chair of the Board of Directors. In any event, such notice should be given before the start of internal auditing procedures on the matter in which the person concerned has an actual or potential conflict of interest.

The head of the team performing internal auditing functions may not oversee the Company's financial and business activities and projects that require managerial decision making in relation to internal auditing items.

The officers (employees) of the team performing internal auditing functions shall not be permitted to hold other positions in the Company.

The head and other employees of the team performing internal auditing functions may not participate in internal auditing procedures if there is a conflict of interest of any kind, and must refrain from participating in internal auditing procedures (with the exception of advisory services) regarding those areas of the Company's financial and business activities and projects in which they have previously (during one of previous years) participated as other officers.

Remuneration to the head and other officers (employees) of the team performing internal auditing functions should not depend on the financial results of the Company's financial and business activities and projects that are subject to internal auditing.

In order to avoid any potential conflicts of interest, the head and other officers (employees) of the team performing internal auditing functions, and persons related to them, shall not accept any gifts from parties with an interest in the internal auditing results, nor shall they use any direct or indirect benefits provided by such persons (except for token gifts received under general rules of courtesy and souvenirs from official events).

2.12. Internal auditing shall be performed by means of scheduled and unscheduled audits. Scheduled audits shall be performed in accordance with the annual work plan for the team performing internal auditing functions.

Audits shall be conducted in accordance with the audit programme (task) containing the names of items subject to internal auditing, the audit topic, the list of issues to be examined during the audit, and its timing.

Given the characteristics of the item subject to internal auditing, the audit topic and the list of issues to be examined during the audit, the latter shall be divided into:

- In-house audits, which shall be conducted at the location of the team performing internal auditing functions, based on information and materials submitted at its request
- On-site audits, which shall be conducted at the location of the internal auditing items
- Combined audits, which shall be conducted both at the location of the team performing internal auditing functions and at the location of the internal auditing items.

Reports on audit results containing conclusions, suggestions and recommendations of the team performing internal auditing functions shall be sent to the Chairperson of the Board of Directors, the Chairperson of the Board of Directors Audit Committee and the Company's CEO.

Upon review of these reports, the CEO may make one or more decisions regarding:

- The necessity of implementing the conclusions, proposals and recommendations contained in the audit results report
- Lack of validity of the conclusions, proposals and recommendations contained in the audit results report
- Imposing financial and/or disciplinary responsibility on the Company's guilty officers (employees) and conducting official inspections
- Sending materials to law enforcement authorities if there are indications of a criminal offence.

The head of the team performing internal auditing functions shall support and be responsible for the internal auditing process in general, including defining the type of audit and applicable auditing methods, approving the audit programme (task), forming the audit team and allocating responsibilities to its members, preparing audit results reports and presenting them to the Company's management bodies on a timely basis, and monitoring timely adoption by the Company's executive bodies of necessary measures to remedy shortcomings and violations revealed based on the audit results.

2.13. In addition to conducting audits, at the request of the Company's bodies and officers (employees), the head and other officers (employees) of the team performing internal auditing functions shall provide advice and opinions on matters related to risk management and internal control system organisation and efficiency, operating activities and the Company's corporate information systems.

3. ITEMS, GOALS, OBJECTIVES AND FUNCTIONS OF THE TEAM PERFORMING INTERNAL AUDITING FUNCTIONS

3.1. All of the Company's financial and business activities and projects, without exception, as well as the financial and business activities and projects of the Company's controlled legal entities, shall be subject to internal audit.

3.2. The goal of internal auditing (the team performing internal auditing functions) shall be to contribute to improving the Company's activities and to provide the Company's management bodies with independent and objective assessments of the appropriate level of efficiency and effectiveness of the Company's operations, the accuracy and timeliness of the Company's accounting (financial) and other statements, and the Company's compliance with applicable laws.

3.3. In order to achieve internal auditing goals, the team performing internal auditing functions shall carry out the following objectives:

1) Assisting the Company's executive bodies and officers (employees) in developing and monitoring implementation of procedures and measures aimed at improving the risk management and internal control system

2) Coordinating cooperation with the Company's external auditor, as well as persons providing advisory services for the Company on matters of risk management and internal control

3) Coordinating and participating in internal auditing procedures at the Company's controlled legal entities

4) Preparing and presenting the Company's management bodies with reports on the results of the internal auditing team's activity (including information on significant risks, deficiencies, the results and effectiveness of the implementation of measures aimed at eliminating identified shortcomings and violations, the results of implementation of the internal auditing team's work plan, the results of the actual condition evaluation, reliability and efficiency of the risk management and internal control system);

5) Verifying that the members of the Company's executive bodies and officers (employees) comply with current law and corporate bylaws related to insider information and anti-corruption, and that they comply with the Company's Code of Ethics.

3.4. In order to carry out these objectives and achieve its goals, the team performing internal auditing functions shall perform the following functions:

3.4.1. Evaluating the effectiveness of the Company's current internal control system, including:

1) Analysing the compliance of goals of business processes (business areas), projects and departments with the Company's objectives, monitoring the reliability and integrity of the Company's business processes (business areas) and corporate information systems, including the reliability of measures to prevent illegal actions, abuses and corruption

2) Monitoring the reliability of the Company's accounting (financial), statistical, administrative and other statements, determining the extent to which the results of the Company's business processes (business areas), projects and departments comply with their stated goals

3) Determining the adequacy of the criteria established by the Company's executive bodies for the purpose of analysing the degree of attainment (achievement) of stated goals

4) Monitoring the effectiveness of internal control procedures and identifying flaws in the internal control system that have prevented (prevent) the Company from achieving its goals

5) Evaluating the results of introducing (implementing) measures to eliminate violations and deficiencies and improve the internal control system implemented by the Company at all levels of management

6) Monitoring the effectiveness and appropriateness of the use of Company resources

7) Monitoring the security of the Company's assets

8) Monitoring compliance with the requirements of current law, the Company's Charter and bylaws.

3.4.2. Evaluating the effectiveness of the Company's current risk management system, including:

1) Monitoring the adequacy and maturity of the risk management system's elements in order to ensure the Company's effective risk management (goals and objectives, infrastructure, process management, normative and methodological support, cooperation between Company departments under the risk management system, and reporting)

2) Monitoring thorough analysis and accurate risk assessment by the Company's executives at all levels of management

3) Monitoring the effectiveness of control procedures and other risk management measures, including the effectiveness of the use of resources allocated for this purpose

4) Analysing information about identified risks (violations, failures to achieve stated goals, and facts of legal proceedings identified based on the results of internal audits).

3.4.3. Conducting scheduled and unscheduled separate audits of Company operations, corporate information systems, the preservation of Company assets, the accuracy, completeness and timeliness of Company's accounting (financial) and other statements, as well as the Company's compliance with applicable law and corporate bylaws

3.4.4. At the request of the Company's bodies and officers (employees), providing advice and opinions on matters related to the organisation and efficiency of the Company's risk management and internal control system, operating activities and corporate information systems

3.4.5. Assisting the Company's executive bodies in investigating fraudulent and illegal actions by Company officers (employees) and third parties

3.4.6. Other functions necessary to carry out stated objectives and achieve internal auditing goals.

4. POWERS, RIGHTS AND OBLIGATIONS OF THE TEAM PERFORMING INTERNAL AUDITING FUNCTIONS

4.1. In order perform its functions, the team performing internal auditing functions may, on its own initiative, carry out internal auditing activities at any department of the Company and concerning any its financial and business activities and projects, without exception.

4.2. The head of the team performing internal auditing functions shall:

- Provide general support for the conduct of internal auditing , including approving the audit program (task), defining the type of audit and applicable auditing methods, forming the audit team and allocating responsibilities to its members, preparing the audit results report and presenting it to the Company's management bodies on a timely basis, and monitoring the timely adoption by the Company's executive bodies of necessary measures to remedy shortcomings and violations revealed by the audit results
- Coordinate directly with the Chairperson of the Company's Board of Directors and the Chairperson of the Company's Board of Directors Audit Committee on issues related to the implementation and observance of the internal auditing policy (the Regulation on Internal Audit)
- Participate in meetings of the Board of Directors (its Audit Committee) on matters related to the implementation and observance of the internal auditing policy (the Regulation on Internal Audit), including making proposals to amend this Regulation, preparing and submitting the work plan and budget for the team performing internal auditing functions, as well as its annual report, for approval by the Company's Board of Directors (preliminary review by its Audit Committee)
- Inform the Board of Directors (its Audit Committee) about existing limitations on the authority or budget for internal auditing implementation that could adversely affect effective performance of internal auditing functions
- Make proposals to the Company's CEO on approving the Regulation on Internal Audit, including establishing the team's organisational structure, duties and number of employees
- Ensure recruitment of officers (employees) for the team performing internal auditing functions, taking into account the requirements defined in accordance with the procedure established in Clause 2.10 hereof, and ensure their professional development
- Ensure that internal auditing at the Company is conducted in accordance with common internal auditing standards, in particular, the International Standards for the Professional Practice of Internal Auditing by the Institute of Internal Auditors

- Make direct requests to the CEO for the allocation of funds and resources necessary to perform internal auditing functions within the approved budget for the team performing internal auditing functions;
- Ensure cooperation between the team performing internal auditing functions and other departments, officers (employees) and external auditors;
- Make proposals to the CEO on approving corporate bylaws establishing specific procedures, forms and methods of internal auditing implementation, as well as the content of reports on internal auditing results
- Submit reports on the results of the team performing internal auditing functions to the CEO, and immediately inform executive bodies about all identified deficiencies in the risk management and internal control system
- Review reports on existing conflicts of interest involving officers (employees) of the team performing internal auditing functions.

4.3. While performing their duties, officers (employees) of the team performing internal auditing functions may:

- Request and receive from the Company's bodies and officers (employees) oral and written explanations concerning deficiencies and violations of current law, the Company's Charter and bylaws identified based on the audit results
- Request and receive from the Company's bodies and officers (employees) such information and documents related to the operations of the Company and its controlled entities as are necessary to perform the functions assigned to them under internal auditing procedures
- Visit the facilities and premises of internal auditing items that are subject to audit
- Exercise other powers stipulated in the corporate bylaws.

4.4. While performing their duties, officers (employees) of the team performing internal auditing functions have an obligation to:

- Observe the requirements stipulated by the Company's Charter, this Regulation and other corporate bylaws, and carry out the instructions of the head of the team performing internal auditing functions
- Perform audits in accordance with the audit program (task), and act reasonably and in good faith in the interests of the Company and its shareholders in compliance with the principles stipulated by Clause 1.4 hereof
- Inform the head or an authorised officer of the internal auditing item about the audit program (task), as well as audit results
- Immediately inform the head of the team performing internal auditing functions about a conflict of interest, as well as about the grounds for a conflict to arise if there are any conflicts of interest;

- Immediately inform the head of the team performing internal auditing functions about any detected and potential failure to comply with applicable law, provisions of the Company's Charter and bylaws
- Systematically improve their professional skills
- Observe the Company's trade secrets, not disclose confidential information, including insider information, and not use such information for personal or other reasons not related to the implementation of the functions assigned to them without the Company's consent
- Perform other duties stipulated by the corporate bylaws.

4.5. Failure to perform or improper performance of assigned functions (duties) by the head and (or) officers (employees) of the team performing internal auditing functions, including unauthorised disclosure of information classified as the Company's commercial secrets, insider information or other confidential information of the Company, shall entail disciplinary, civil, administrative or criminal liability in accordance with current Russian law.

4.6. In cases stipulated by current law, the Company may demand compensation for damages caused by failure to perform or improper performance of assigned functions (duties) by the head and (or) officers (employees) of the team performing internal auditing functions.

5. COOPERATION BETWEEN THE TEAM PERFORMING INTERNAL AUDITING FUNCTIONS AND THE COMPANY'S MANAGEMENT BODIES, DEPARTMENTS AND EXTERNAL AUDITOR

5.1. The team performing internal auditing functions shall cooperate with the Company's bodies, departments and officers (employees) in accordance with the procedure stipulated by this Regulation, to the extent that is necessary for proper performance of the team's functions.

The Company's bodies, departments and officers (employees) shall assist the officers (employees) of the team performing internal auditing functions in performing their functions, and shall submit, when requested, such information and documents as are necessary to perform their functions under internal auditing procedures.

The team performing internal auditing functions shall, at the request of the Company's bodies and officers (employees), provide advice and opinions on matters related to creating and ensuring efficiency of the Company's risk management and internal control system, corporate governance practices, operations and corporate information systems.

5.2. The team performing internal auditing functions shall coordinate its work and exchange information on audit results with Company's external auditors, and shall:

- Preliminarily discuss the annual work plan for the team performing internal auditing functions with the external auditor

- Inform the external auditor about the conduct of internal auditing and the content of reports on the audit results, as well as measures taken to remedy identified deficiencies;
- Review the external auditor's reports and opinions on matters related to evaluation of Company's internal auditing efficiency, the reliability and effectiveness of the risk management and internal control system, and the accuracy and timeliness of the Company's accounting (financial) and other statements.

6. EVALUATION OF INTERNAL AUDITING EFFECTIVENESS

6.1. Internal auditing effectiveness shall be evaluated by the Company's Board of Directors Audit Committee.

Upon the recommendation of the Company's Board of Directors (its Audit Committee), an independent consultant may be brought in to evaluate internal auditing effectiveness.

6.2. Based on the results of the internal auditing effectiveness evaluation, the head of the team performing internal auditing functions shall develop and coordinate with the Company's Board of Directors Audit Committee a programme (plan) of measures to improve the Company's internal auditing effectiveness.

7. FINAL PROVISIONS

7.1. The Company's Board of Directors shall approve, amend or terminate this Regulation by its respective resolution.

Proposals for amending this Regulation shall be made by the head of the team performing internal auditing functions and the Company's Board of Directors Audit Committee, based on the conclusions set out in the annual report on compliance with the internal auditing policy (the Regulation on Internal Audit) and application practice.

7.2. This Regulation shall enter into force upon its approval by the Company's Board of Directors and shall remain in effect permanently until its termination or approval of a new version.

7.3. Should any clauses of this Regulation for any reason come into conflict with regulatory requirements imposed on the Company by Russian Federation law (imperative provisions), such clauses of the Regulation shall become invalid, and the Company shall be governed by applicable Russian law until corresponding changes are introduced to this Regulation.