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## **Opinion of the Revision Commission of PJSC Uralkali based on the results of the inspection for 2016**

April 12, 2017

Moscow

In accordance with the requirements of the Federal Law *On Joint Stock Companies* # 208-FZ dd. December 26, 1995, and the Charter of PJSC Uralkali (hereinafter the Company), in the period from December 26, 2016 to April 11, 2017, the Revision Commission comprised of Maria Kuzmina, Irina Razumova, Andrei Yermizin and Irina Grinkevich inspected the financial and economic activities of the Company, the accounting statements of the Company for 2016, the Annual Report of the Company for 2016 and the Report on Interested-Party Transactions Concluded by PJSC Uralkali in 2016

### **1. Inspected Company**

Full corporate name: Public Joint Stock Company Uralkali

Location: 618426, Berezniki, 63 Pyatiletki Street

Date of state registration: October 14, 1992

Certificate of registration: 2-319

The following are responsible for the financial and economic activities of the Company in the inspected period:

Sole Executive Body – General Director – Dmitry Osipov

Chief Accountant: Alexandra Orlova

The supreme governance body of the Company is its General Shareholders Meeting

### **2. Brief methodology and subject of inspection**

2.1. All conclusions and findings stated in this Opinion were made on the basis of documents and explanations provided by various employees of the Company. The following documents were used for the purposes of this Opinion: minutes of General Shareholders Meetings of the Company, minutes of meetings and decisions of the Board of Directors, organizational documents and executive orders of the Company, accounting statements of the Company for 2016 (RAS) including: the balance sheet, profit and loss statement and notes thereto, Annual Report of the Company for 2016, Report on Interested-Party Transactions Concluded by PJSC Uralkali in 2016, Accounting Policy for accounting and tax accounting purposes in 2016, analytical data sheets, primary accounting documents, contracts and agreements, certain tax registers and tax declarations, results of the external audit and other documents.

2.2. The Revision Commission also considered the Company's compliance with the current laws of the Russian Federation and the requirements of the Company's internal documents with respect to financial and economic operations. The Revision Commission checked several operations for compliance with the law and the requirements of internal documents to obtain reasonable assurance about whether the accounting statements of the Company, the Annual Report of the Company and the Report on Interested-Party Transactions Concluded by PJSC Uralkali in 2016 are free from material misstatements in compliance with Russian laws and the requirements of internal documents in order to protect the interests of the Company's shareholders.

2.3. The inspection was performed on the basis of selective tests and involved an analysis of evidence confirming the effectiveness of financial and economic operations of the Company, observation of the

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interests of the Company's shareholders, accuracy of representations and disclosures, evaluation of the principles and methods of accounting and tax accounting and the rules of preparation of accounting and tax statements.

2.4. In accordance with the Federal Law # 208-FZ *On Joint Stock Companies* dd. December 26, 1995 (the Law), the Regulations on Additional Requirements to the Procedure of Preparation, Convocation and Holding of General Shareholders Meetings approved by the Federal Commission for the Securities Market on February 2, 2012 # 12-6/pz-n, the Regulations *On Information Disclosure by Issuers of Equity Securities* dd. December 30, 2014 # 454-P approved by the Bank of Russia (Regulations) and p. 11.5 of the Charter of the Company, the Revision Commission of PJSC Uralkali checked the information contained in the Annual (Integrated) Report of PJSC Uralkali for 2016 and the Report on Interested-Party Transactions Concluded by PJSC Uralkali in 2016.

The Annual Report of the Company is based on consolidated annual accounting statements transformed in compliance with International Financial Reporting Standards (IFRS).

The fact that the information contained in the annual financial IFRS statements of the Company as of December 31, 2016 is presented fairly was confirmed by the report of an independent auditor CJSC Deloitte and Touche CIS.

### **3. Findings**

3.1. We have found no material violations of the interests of the Company's shareholders. In all its financial and economic operations, accounting and tax accounting practices the Company relied on the standards and norms set forth by the current laws and the requirements of the Company's internal documents.

3.2. The accounting statements of the Company were prepared in compliance with the requirements of the Federal Law # 402-FZ *On Accounting* dd. December 6, 2011, Regulations on Accounting and Accounting Records in the Russian Federation approved by the Ministry of Finance of Russia on July 29, 1998 # 34-n, Regulations on *Accounting in an organization* (PBU 4/99) approved by the Ministry of Finance of Russia July 6, 1999 # 43-n, Order of the Ministry of Finance of Russia dd. July 2, 2010 # 66n *On Forms of Accounting in Organizations*, requirements of the Tax Code of the Russian Federation and other documents regulating accounting and taxation practices in Russia.

3.3. The accounting statements of the Company for 2016 provided to the Shareholders of the Company were audited by an independent external auditor – CJSC ENERGY CONSULTING/Audit approved by the decision of the Annual General Shareholders Meeting of the Company on June 17, 2016. The Revision Commission agrees with the opinion of the external auditor regarding the fairness of the presentation, in all material respects, of information contained in the accounting statements of the Company for 2016.

3.4. During our inspection, we did not find any material violations of accounting procedures or tax accounting requirements which could affect the presentation of accounting statements. The accounting statements of the Company present fairly the financial and economic processes and results of the Company which are required for effective management and also for usage by shareholders, investors, suppliers, buyers, creditors, tax, financial and banking organizations and other stakeholders.

3.5. The Revision Commission hereby confirms that the information contained in the Annual Report of the Company for 2016 is accurate and reliable.

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3.6. The Revision Commission hereby confirms that the information contained in the Report on Interested-Party Transactions Concluded by PJSC Uralkali in 2016 is accurate and reliable.

### **General opinion**

We believe that the evidence obtained by us is sufficient to express an opinion that the financial and economic operations of the Company in the period from January 1, 2016 to December 31, 2016 conformed with the current laws of the Russian Federation in all material aspects.

The accounting statements of the Company, the Annual Report and the Report on Interested-Party Transactions Concluded by PJSC Uralkali in 2016 present fairly the financial position of the Company as of December 31, 2016 and the results of its financial and economic operations in the period from January 1, 2016 to December 31, 2016 (inclusive of both dates).

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|---|-------|------------------|
| Chairperson of the Revision Commission<br>PJSC URALKALI | _____ | Maria Kuzmina    |
| Member of the Revision Commission<br>PJSC URALKALI      | _____ | Irina Razumova   |
| Member of the Revision Commission<br>PJSC URALKALI      | _____ | Andrei Yermizin  |
| Member of the Revision Commission<br>PJSC URALKALI      | _____ | Irina Grinkevich |