

**To Meeting of Shareholders of  
Mobile TeleSystems Public Joint-Stock Company**

**REPORT OF INTERNAL AUDITOR OF  
Mobile TeleSystems PUBLIC JOINT-STOCK COMPANY  
for 2019**

Date and place of report execution: May 25, 2020, Moscow

In accordance with the Federal Law of December 26, 1995, “On Joint-Stock Companies” No. 208-FZ, the Internal Control and Audit Block of MTS PJSC (hereinafter, the ICAB) has prepared the Internal Auditor’s Report for 2019. The Internal Control and Audit Block is an individual structural division of MTS PJSC functionally subordinate to the Board of Directors and administratively — to the President of MTS PJSC.

Evaluation of the processes of risk management, internal control and corporate management and recommendations on their improvement are within the ICAB’s competence.

Key goals of internal audits are to assist the shareholders and managers in raising the share value of MTS PJSC and improve its business by conducting regular and objective checks and giving consultations designed to raise efficiency of the systems of internal control, risk management and corporate management.

In its activities, the ICAB abides by the International Framework for Professional Practices of Internal Auditing adopted by the International Institute of Internal Auditors.

The ICAB by conducting independent checks based on risk-oriented approach evaluates the processes of internal control, risk management and corporate management in MTS PJSC and issues recommendations to raise their efficiency which shall be duly implemented.

Based on the audits conducted in 2019, the ICAB has sufficient grounds to formulate a conclusion to the effect that the systems of internal control, risk management and corporate management existing in MTS PJSC conform to the approaches and principles set by the Board of Directors and management of MTS PJSC in all essential aspects providing for an objective idea of the current condition and prospects of MTS PJSC, correct, timely

and transparent financial and non-financial statements of MTS PJSC, acceptable risks assumed by MTS PJSC and compliance with the requirements of the applicable laws and the internal regulations of MTS PJSC. However, the ICAB notes that further improvements may be made in the processes reviewed.

The ICAB assesses the general condition of the internal control system in MTS PJSC affecting the achievement of the Company's business goals, efficiency of its business, correctness of reporting and compliance with the applicable requirements as efficient.

Internal Control and Audit Director

Internal Control and Audit Block  
of MTS PJSC

\_\_\_\_\_ N. A. Mikheyeva