

# PwC Firm Network Profile

## *The Global PwC Network*

PwC is the brand under which the global member firms of PricewaterhouseCoopers International Limited (PwCIL) operate. The global network includes over **195,000** people working in **157** countries. Each member firm is a separate legal entity and does not act as an agent of PwCIL or any other member firm.

The network was established in 1998 by a merger between the largest global networks Price Waterhouse and Coopers & Lybrand. Both companies have been operating for over **160** years.

## *Global Leadership*

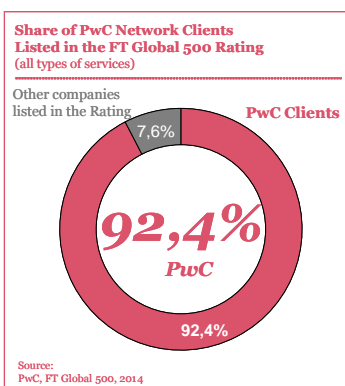
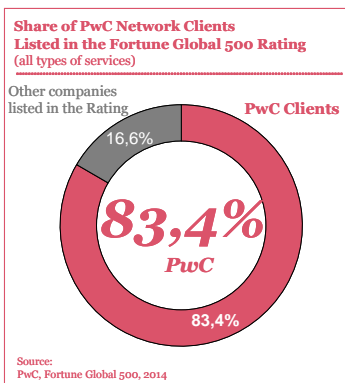
The PwC network is one of the world's largest networks rendering professional services: the total revenue amounted to US\$**34** billion for the 2014 fiscal year.

Our clients in all types of services include **417** companies from the Fortune Global 500 (2014), as well as **462** companies from Financial Times Global 500 (2014).

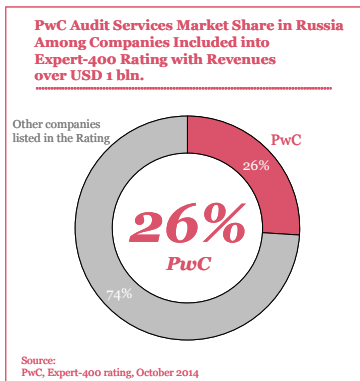
Despite the size of the company and the market share are not the only features that recognize a leader, they demonstrate how successfully we deal with our clients and testify the relevant experience that will underpin our cooperation with you.

## *What do Clients Value in PwC?*

- Thorough technical knowledge and professional expertise of our auditors and advisors.
- Strategic and tactical recommendations proven through practical application.
- Using the knowledge and experience shared by the entire global network.
- Professional independence and integrity.



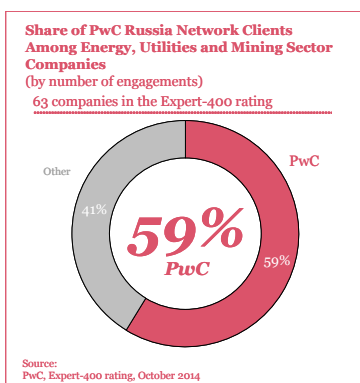
## ***PwC Network in Russia***



**PwC Russia** ([www.pwc.ru](http://www.pwc.ru)) provides industry-focused audit, advisory, and tax and legal services to companies in different industries. Over **2,000** professionals work in PwC offices in Moscow, St. Petersburg, Krasnodar, Yekaterinburg, Kazan, Novosibirsk, Voronezh, Rostov-on-Don, Yuzhno-Sakhalinsk, and Vladikavkaz. We use our expertise, wide experience, and creative approach to develop promising business-focused practical advice and solutions for our clients.

PwC first appeared in Russia in 1913 and re-established its presence in the Russian market in 1989.

Over the past two decades, PwC has become a leader in providing professional services in Russia.



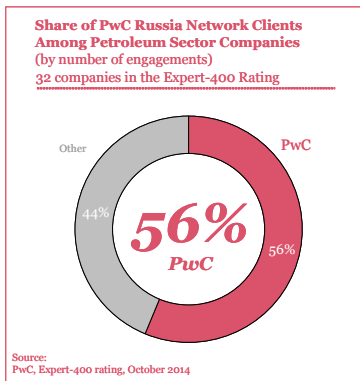
According to an independent research conducted among Russia's largest companies and organisations, PwC has remained the strongest of the Big Four brands over the past seven years. The study was conducted anonymously by an independent research organisation according to the ESOMAR standards.

As of the beginning of February 2015, PwC Russia employed **2,761** people, where **2,619** were Russian citizens.

They include:

- over **1,360** accountants and auditors;
- over **460** tax and legal advisors;
- over **390** advisors in investments, corporate finance and business advisory services.

## Our Clients in Russia



Our clients in Russia are over **2,000** companies, including **202** companies from the Expert-400 rating. They bring **78%** of total revenues among the companies mentioned in the rating.

The below data is prepared based on the October 2014 Expert-400 rating of Russia's largest companies by revenue according to 2013 results:

- **51%** are PwC Russia clients;
- **78%** of the revenues of Expert-400 companies are generated by clients of PwC Russia;
- **23%** is PwC Russia's share of the audit market by number of clients;
- **26%** is PwC Russia's share of the audit market among companies with revenues over USD **1 billion**.

Among our audit and consulting clients are:

- **10** of the **10** largest financial companies and banks;
- **9** of the **10** largest oil and gas companies;
- **6** of the **10** largest power industry companies;
- **8** of the **10** largest retail companies;
- **8** of the **10** largest metallurgical companies;
- **4** of the **6** largest telecom companies;
- **6** of the **8** largest mining companies.

We are proud of the trust we have earned from shareholders and the top management of the largest Russian public and private companies.

## ***Membership in Professional Organisations***

Over the past **25** years in Russia, we have always played an active role in professional organisations. Membership in such organisations allows us to contribute to the long-term development of the audit and accounting professions in Russia, as well as to find solutions to challenges facing our profession and our clients.

PwC Russia is a member of various professional organizations and business associations, including:

- The Audit Chamber of Russia (ACR);
- The Russian Union of Industrialists and Entrepreneurs (RSPP);
- Independent Directors Association (IDA);
- The Russian Managers Association (ARM);
- The American Chamber of Commerce (AmCham);
- The Association of European Business (AEB);
- The Russo-British Chamber of Commerce (RBCC);
- The Russian-German Chamber of Commerce (AHK);
- The Canada Eurasia Russia Business Association (CERBA);
- The U.S.-Russia Business Council (USRBC);
- The Japanese Business Club (JBC);
- Russian Venture Capital Association (RVCA);
- Finnish-Russian Chamber of Commerce (FRCC);
- The Association of Russian Banks (ARB), and others.

## **ZAO PricewaterhouseCoopers Audit Profile**

The PwC Audit Firm was registered in Russia on 28 February 1992.

ZAO PricewaterhouseCoopers Audit (ZAO PwC Audit) is part of the global network of PricewaterhouseCoopers International Limited member firms, where each is a separate and independent legal entity.

Since February, 2015 PwC Audit shareholders incline only Russian citizens.

Energy, Utilities and Mining Audit Department of ZAO PwC Audit has approximately **70** auditors, including **5** partners.

Professional qualifications of ZAO PwC Audit employees (February 2015):

- over **150** employees hold Russian statutory audit licenses;
- over **210** employees are ACCA qualified (UK);
- over **25** employees are CPA qualified (U.S.);

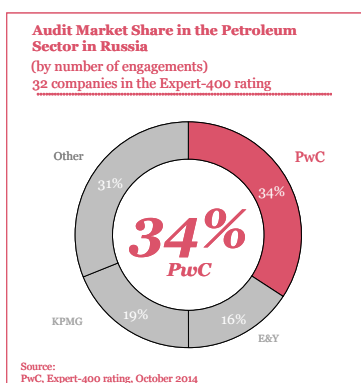
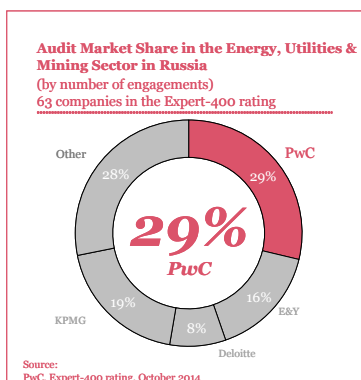
### **Membership in Russian Auditors' SRO**

We confirm that ZAO PwC Audit is a member of the Non-Profit Partnership Audit Chamber of Russia (NP ACR), according to the NP ACR Board resolution dated April 22, 2004. In December 2009, ZAO PwC Audit re-registered with NP ACR after the letter has obtained the status of an auditors' SRO. As a result, NP ACR included ZAO PwC Audit in the register of auditors and audit organisations on December 21, 2009 under primary registration No. 10201003683 (Certificate No. 870).

We confirm that since joining NP ACR, ZAO PwC Audit has not been the subject of any regulatory or disciplinary actions or warnings.

### **Professional Liability Insurance**

On June 6, 2007 ZAO PwC Audit obtained professional liability insurance policy No.49/2007 15156-02. The insurance policy is subject to annual renewal and currently is valid through June 30, 2015. The overall insured amount is not less than USD 15 million.



## ***Accreditation with International Oversight Bodies***

ZAO PwC Audit is accredited with the Public Company Accounting Oversight Board (PCAOB). The Board is a non-profit organisation established under the Sarbanes-Oxley Act (adopted in the US since 2002). The Board oversees auditors of public companies in order to protect the interests of investors and the society. The Board Chairman and members are appointed by the U.S. Securities and Exchange Commission.

ZAO PwC Audit is registered as a third-country audit entity with the relevant professional oversight bodies of the UK and Luxembourg, in accordance with the Decision of the European Commission dated July 29, 2008 on the transitional period provisions to implement the requirements of Article 46 (2) of Directive 2006/43/EC dated May 17, 2006.

Securities issuers registered on European stock exchanges are obliged to regularly submit to the relevant stock exchange audit opinions signed by auditors who are duly registered in the relevant countries. Otherwise, a stock exchange is entitled to impose sanctions on a non-compliant issuer, including delisting its securities. ZAO PwC Audit's registration with the appropriate UK and Luxembourg regulatory bodies provides our clients with London- and Luxembourg-listed securities a guarantee of compliance with all relevant stock exchange rules on auditors' registrations.

## ***ISO 9001:2008 Quality Management System***

Despite auditor activities do not require mandatory certification under applicable Russian laws ZAO PwC Audit has obtained a certificate of compliance with the GOST ISO 9001-2011 (ISO 9001:2008) quality management system requirements (Certificate No. SDS.RTS.RF.02830 dated December 25, 2014 issued by LLC RosTekhStandart) which is valid from December 25, 2014 through December 25, 2017.