

**Assessment by the Audit Committee of PhosAgro's Board of Directors
of the report of FBK, the Company's auditor, following the audit of the Company's financial and
business operations in 2019**

The Company appointed FBK Limited Liability Company as its auditor for 2019 (minutes of the Annual General Meeting of Shareholders w/o No. dated 27 May 2019).

Registered address: 44/1, Myasnitskaya St., Bld. 2AB, Moscow.

Postal address: 44/1, Myasnitskaya St., Bld. 2AB, 101990, Moscow.

The Audit Committee of the Company's Board of Directors (the "Committee") monitored the audit process to identify, prevent and resolve any miscommunication between the parties of the audit process, to implement auditor's recommendations regarding improvements of the financial management and accounting framework described in the management letter and to identify any new risks or material changes in the existing risks detected by the independent external auditor.

The Committee reports that:

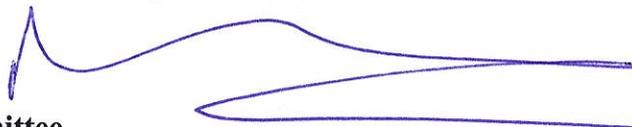
- the external auditor is independent from the Company;
- the audit was conducted pursuant to Audit Services Agreement No. OOO FBK 517-2/19 dated November 18, 2019 in line with the agreed schedule and audit procedures;
- in the course of the audit, the Auditor provided the members of the Committee in a timely manner with any requested information, explanations, answers to their questions;
- the auditor's recommendations on financial management improvements contained in the management letter and voiced at the meetings with the Company's Audit Committee were implemented by the Company's management in a timely manner;
- the independent external auditor communicated to the Audit Committee in a timely manner its opinion on the risks inherent in the financial and business operations of the Company, of which the Board of Directors was notified as appropriate.

The Committee believes that the audit was conducted in compliance with the Federal Law *On Auditing*, federal auditing standards, rules and standards adopted by the Audit Chamber of Russia, and on the whole complies with the best international practices.

Having reviewed the auditor's opinion, the Committee believes that the audit so conducted provides sufficient grounds for the auditor to express an opinion on how accurately the Company's financial (accounting) statements reflect its financial position in all material respects as at 31 December 2019 and the results of its financial and business operations for the period from 1 January to and including 31 December 2019 in accordance with the Russian legislation governing the preparation of financial statements.

The Committee believes that FBK LLC was unbiased in issuing its audit report on the financial statements of the Company and suggests that this assessment of the external auditor and its report should be made part of the materials provided for the Annual General Meeting of Shareholders.

Chairman of the Committee



M. J. Rhodes