

Opinion of the Internal Audit Service of the Moscow Exchange

In 2018, the Internal Audit Service of the Moscow Exchange carried out audits covering the corporate governance effectiveness and efficiency, business processes and internal controls across the Moscow Exchange, risk management system of the trades organiser (inclusive of information security and business continuity activities in the Moscow Exchange, operational safety and continuity, protection against unauthorised access to information systems of the trades organiser), methods used to ensure safety and security of the trades organiser's property.

The priorities of the Internal Audit Service for 2018 were the following:

- Audit of procurement system in the Moscow Exchange.
- Scheduled and unscheduled audits of subsidiaries in the Moscow Exchange Group.
- Scheduled and unscheduled audits of foreign subsidiaries in the Moscow Exchange Group.
- Monitoring of project activities and their restructuring.
- Monitoring of implementation of Moscow Exchange Group MIS Project
- Audit of internal controls as relates to Money Laundering and Terrorism Financing in CCP NCC
- Audit of correctness of the related party transactions procedures, which require preliminary approval of the Supervisory Board.
- Audit of organisation and implementation of activities aimed at ensuring compliance with the Corporate Governance Code recommendations.
- Audit of the Moscow Exchange compliance with the requirements of current legislation and internal documents in terms of admission procedures of securities to MOEX trades.
- Monitoring of the Moscow Exchange Group real estate strategy implementation and control of the Moscow Exchange Group real estate effective use
- Audit of compliance with FATCA and EMIR requirements by the Moscow Exchange Group
- Audit of risk identification and mitigation procedures availability and compliance
- Audit of the terms and conditions of financial and business activity between the Moscow Exchange Group companies
- Information security and business continuity audit

Audit findings were included in the relevant Audit Certificates and delivered to the Audit Committee and, where it was necessary, to the Supervisory Board of the Moscow Exchange for consideration.

Head of Internal Audit
Moscow Exchange

Vladimir Sukhachev