

INTERNAL AUDIT

Internal Audit Service, which conducts its activities under the laws of the Republic of Kazakhstan, operates at the Exchange. The Service assesses the effectiveness of risk management system and internal controls in the area of corporate governance and the Exchange's operational activities relating to:

- the compliance of the Exchange's activities with the requirements of the laws of the Republic of Kazakhstan, the Charter, internal documents and resolutions of the Exchange's bodies;
- achievement of the Exchange's strategic objectives;
- efficiency and effectiveness of the Exchange's operations and its development plans;
- reliability and integrity of information on financial and economic activity of the Exchange;
- safeguarding of assets;
- quality operation of information systems, processes and procedures, the organizational chart of the Exchange, their compliance with applicable standards and best practices, the

- adequacy of the Exchange's resources to ensure its activities and achieve its goals;
- security of the Exchange's information assets.

The Internal Audit Service monitors changes in the control environment and risk levels on the Exchange's activities in order to timely make relevant changes in the approaches used as part of implementation of individual tests on an ongoing basis. Shortcomings detected and possibilities for improving risk management system and internal controls of the Exchange as well as recommendations on the improvement of these systems are reflected in the Internal Audit Service's reports and are communicated to the responsible units, the Management Board and the Board of Directors of the Exchange. Based on the Service's recommendations, the Exchange's Management Board approves action plans for execution by the Exchange's subdivisions and the Internal Audit Service regularly monitors the implementation of these actions plans.