

Agreed with:

Audit Committee of the Board of
Directors of IDGC of Centre, PJSC
Minutes from 25.11.2016 #13/16

Approved by:

Board of Directors
of IDGC of Centre, PJSC
Minutes from 13.12.2016 # 33/16

**THE PROGRAM OF ASSURANCE AND IMPROVEMENT
OF THE INTERNAL AUDIT QUALITY**

RK BP 1/08-01/2016

Moscow
2016

Contents

1.	General provisions. Scope.....	4
2.	Standard references	4
3.	Terms, definitions and abbreviations	5
4.	The purpose and the basic directions of the Program	5
5.	Internal quality evaluation of internal audit activity	6
6.	External quality evaluation of internal audit activity	10
7.	Presentation of results of estimation and development (actualisation) of the action plan on activity development and enhancement	11
	Appendix # 1	12
	The scheme of processes of realisation of the program of assurance and improvement of the internal audit quality	12
	Appendix # 2	16
	The form of the questionnaire of a self-estimation of a current condition of the internal audit function.....	16
	Appendix # 3	39
	The form of the questionnaire of estimation of activity of the internal auditor	39
	Appendix # 4	43
	The form of the questionnaire of estimation of internal audit by the audited entity	43
	Appendix # 5	45
	The form of the questionnaire of estimation of internal audit by the Audit Committee of the Board of Directors of the Company	45
	Appendix # 6	48
	The form of the report by results of an internal quality evaluation of internal audit activity	48
	Appendix # 7	51
	The form of an individual plan for development of an employee of IAD	51

Data on the document:

Implemented	By Decision of the Board of Directors of IDGC of Centre, PJSC
Business process	BP 15. Management System
Recurring examination	Produced by: – Head of the Internal Audit Department at least once a year; – a group of internal auditors in accordance with the schedule of checks
Responsible person for the procedure	Head of the Internal Audit Department
Version	# 1
Modification	By results of application or at change of requirements of normative documents on which basis this guide is developed
Developed by	Internal Audit Department
Justification of a new version of the document	Introduced for the first time
Placing and storage	The original – in Administration Office, the electronic version – in the Docflow System warehouse of documents «Synergy Center», Library of Internal Documents
Participants of the procedure	All participants of BP 1
Acquaintance method	Task in Docflow System «Synergy Center»
Additional data	

1. General provisions. Scope.

1.1. The Program of assurance and improvement of the internal audit quality (hereinafter – the Program) is implemented in IDGC of Centre, PJSC (hereinafter – the Company) with a view of provision of reasonable monitoring and an estimation of internal audit activity, and also revealing of directions of its enhancement.

1.2. The Program determines the purposes, directions, approaches and an order of carrying out of continuous (current) and periodic monitoring of quality of internal audit activity, and also development and accomplishment of action plan on development and enhancement of internal audit activity.

1.3. The Company's Program is subject to periodic revision taking into account the changes brought in the Sample Program of assurance and improvement of the internal audit quality, approved by PJSC "Rosseti".

1.4. The Program is approved and amended by a decision of the Board of Directors of the Company taking into account preliminary consideration of the Program by the Audit Committee of the Board of Directors of the Company (hereinafter – the Audit Committee).

1.5. The Program is obligatory for application by employees of the internal audit department (hereinafter – IAD).

2. Standard references

2.1. At the Program development provisions/requirements of the following basic documents were considered:

- Federal Act from 25.12.1995 №208-FZ «About joint stock companies»;
- Methodical recommendations about the organisation of work of internal audit in joint stock companies with participation of the Russian Federation, approved by Order of Federal Property Management Agency from 04.07.2014 № 249;
- Recommendations of the Ministry of Finance of Russia № PZ-11/2013 «Organization and realisation by an economic entity of internal control of made facts of economic life, conducting the business accounting and drawing up of the accounting (financial) statements» (Letter of the Ministry of Finance of the Russian Federation from 26.12.2013 N 07-04-15/57289);
- The Code of Corporate Governance recommended by Letter of the Bank of Russia from 10.04.2014 № 06-52/2463;
- The international professional standards of internal audit developed by the International Institute of Internal Auditors (hereinafter – the International standards);
- Practical instructions of the International bases of professional practice of internal audit, by developed by the International Institute of Internal Auditors (hereinafter – the Practical instructions);
- The Company's Articles of Association;
- The Strategy of development and enhancement of the internal control system of PJSC "Rosseti" and affiliated and dependent companies of PJSC "Rosseti";

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 4	total pages: 54
--------------------	--	---------	-----------------

- The Policy of internal audit of the Company;
- The Policy of internal control of the Company;
- The Company’s risk management policy;
- The Regulations about Company’s Board of Directors;
- The Regulations about the Audit Committee of the Board of Directors of the Company and other internal normative documents of the Company.

3. Terms, definitions and abbreviations

3.1. Terms, their definitions and abbreviations used in the Program, are presented in the Glossary of internal audit of the Company, approved by Order from 27.01.2016 №CA/18/6-r «About the regulation of internal audit inspections in IDGC of Centre, PJSC».

4. The purpose and the basic directions of the Program

4.1. The Program purpose is provision of assurance to the Board of Directors (to the Audit Committee) and to other stakeholders that:

- activity of internal audit of the Company is performed according to the Policy of internal audit of the Company;
- internal audit assists the Board of Directors and executive management of the Company in increase efficiency of the Company’s management;
- the Company implements the most effective and rational measures for provision of conformity of internal audit to the International standards taking into account specificity of activity and available resource restrictions;
- the Company’s internal audit carries out the functions effectively and with a necessary quality level;
- the internal audit function continuously develops.

4.2. The Program covers the basic lines of business of internal audit according to the Policy of internal audit of the Company:

- implementation and application of uniform approaches established in the Group of Companies Rosseti, to construction, management and coordination of the internal audit function in the Company and subsidiaries and affiliates;
- internal audit carrying out, participation in other verifying events in the Company and subsidiaries and affiliates;
- granting of independent and objective guarantees concerning efficiency of the internal control, risk management and corporate governance systems, and also assistance to executive powers and employees of the Company in development and monitoring of execution of procedures and events for enhancement of the internal control, risk management and corporate governance systems by the Company;
- organisation of effective interaction of the Company with the external auditor of the Company, the Company Audit Commission, and also with persons rendering

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 5	total pages: 54
--------------------	--	---------	-----------------

consulting services in the spheres of internal control, risk management and corporate governance;

- preparation and granting to the Board of Directors (to the Audit Committee) and to the Company’s executive powers (sole executive body/Management Board) of reports by results of internal audit activity (including information on substantial risks, lacks, results and efficiency of accomplishment of events for elimination of revealed lacks, results of accomplishment of the plan of internal audit activity, results of estimation of an actual state, reliability and efficiency of the internal control, risk management and corporate governance systems).

4.3. Process of realisation of the Program includes:

- carrying out of current (continuous) monitoring and periodic internal quality evaluations of internal audit activity;
- regular carrying out of external quality evaluation of internal audit activity;
- representation of results of estimation, and also development/actualization of a plan of events for development and enhancement of internal audit activity.

4.4. The scheme of processes of realisation of the Program is presented in Appendix 1 to this Program.

4.5. At realisation of the Program the Company, according to the internal audit Policy, aspires to apply main principles and approaches reflected in the Code of Corporate Governance, in the recommendations of Federal Property Management Agency, in the generally accepted standards of activity in the field of internal audit, in particular, in the International standards.

5. Internal quality evaluation of internal audit activity

5.1. The internal quality evaluation of internal audit activity includes:

- current monitoring of internal audit activity;
- periodic self-estimation.

5.2. Current monitoring of the internal audit activity consists in:

- supervision from the head of IAD and employees authorised by him over carrying out of checks, including procedures of quality assurance of reports of auditors about accomplishment of audit procedures, an auditor’s report and other materials on check;

- estimation of activity of internal auditors at check carrying out;
- quality control of reporting/information materials (information letters, presentations and so forth), given to management bodies and the Audit Committee;
- receiving feedback from heads of audited entities;
- supervision of work and quality control on other lines of business of internal audit of the Company;

- regular discussion with employees of IAD of necessary events for development and enhancement of internal audit activity and, at necessity, actualisation of individual

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 6	total pages: 54
--------------------	--	---------	-----------------

plans for development of employees of IAD.

5.2.1. Procedures of supervision from the head of employees of IAD and authorised by it behind carrying out of checks, including procedures of quality assurance of the working documentation and audit reports, are provided by the Regulation on carrying out of internal audit inspections, approved by Order from 27.01.2016 №CA/18/6-r «About the regulation of internal audit inspections in IDGC of Centre, PJSC».

5.2.2. The estimation of activity of internal auditors at check carrying out is conducted in the following order:

- a decision on documenting estimation of activity of internal auditors on check carrying out is accepted by the head of IAD:
 - at a stage of planning and approval of audit engagement – taking into account the importance of check for the Company, complexity and labour input of the check;
 - based on the results of audit – with an essential deviation from the accomplishment plan (without change of the program and in the absence of other objective reasons), availability of remarks on quality of the documentation, remarks from an audited entity or under other circumstances demanding an estimation;
- estimation is conducted within 10 (ten) working days after end of check/accomplishment of the engagement;
- estimation of activity of internal auditors is conducted by the head of the auditors' group;
- estimation of activity of the head of the auditors' group is conducted by the head of IAD;
- the form of the questionnaire filled by results of estimation, is given in Appendix # 3 to this Program.

5.2.3. Quality control of reporting/information materials, given to management bodies and the Audit Committee, is performed by the head of IAD on a constant basis.

5.2.4. Receiving feedback from heads of audited entities can be performed by the head and employees of IAD with various degree of formalisation.

The basic form of receiving feedback is questioning in which course the head of an audited entity is offered to give an assessment of work of the auditors' group, to express remarks and offers on enhancement of work of IAD. The questionnaire form is presented in Appendix 4 to this Program).

Questioning can be conducted both on planned, and on unscheduled inspections (under the decision of the head of IAD taking into account the importance of check for the Company, complexity and scope of work on check and other circumstances).

5.2.5. Supervision of work and quality control on other lines of business of internal audit of the Company is performed by the head and employees of IAD according to their job responsibilities, requirements of acting documents of the Company regulating activity of internal audit.

5.2.6. The head of IAD regularly discusses with employees of IAD necessary events for development and enhancement of internal audit activity. Such events can be included

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 7	total pages: 54
--------------------	--	---------	-----------------

in: individual plans for development of employees of IAD (the form is presented in Appendix 7 to this Program), and also in the action plan on development and enhancement of internal audit activity. The action plan form is presented in Appendix 1 to the Report by results of an internal quality evaluation of internal audit activity (Appendix 6 to this Program).

5.3. A periodic self-estimation is carried out by the head and-or employees of IAD at least once a year and includes:

- analysis of conformity of the purposes and the tasks specified by the Policy of internal audit, to the purposes and the tasks put to internal audit by the Board of Directors (Audit Committee) and the Company’s executive powers;
- accomplishment of procedures of a self-estimation.

5.3.1. The analysis of conformity of the purposes and the tasks specified by the Policy of internal audit, to the purposes and the tasks put to internal audit by the Board of Directors of the Company (Audit Committee) and the Company’s executive powers, is performed by the head of IAD:

- orders and decisions of the Board of Directors (Audit Committee) and executive powers of the Company, tasks of the approved plan of activity of IAD, change in strategic priorities of development of the Company and other information, which can influence the purposes and internal audit tasks, are analyzed;
- necessity of modification of the internal audit Policy is determined. Offers on modification of the Policy of internal audit of the Company are prepared if it is necessary.

5.3.2. Accomplishment of procedures of a self-estimation includes:

- receiving feedback from members of the Audit Committee;
- analysis of conformity of internal audit activity to the Policy of internal audit;
- analysis of accomplishment of the tasks put to internal audit by the Board of Directors (Audit Committee) and the Company’s executive powers on the questions which are within the competence of internal audit;
- filling of a questionnaire of self-estimation of a current condition of an internal audit function;
- comparison of acting internal audit practices with the best practice;
- estimation of accomplishment of the action plan on development and enhancement of internal audit activity, development of offers on amendment and adjustment of the action plan on development and enhancement of internal audit activity.

5.3.2.1. Receiving feedback from the Audit Committee is performed by the head of IAD in various forms during interaction with the Audit Committee, including analysis of decisions/recommendations of the Audit Committee on the questions which are within the competence of internal audit. Receiving periodic feedback also can be performed by means of questioning (the questionnaire form is presented in Appendix 5 to this Program). The questionnaire is sent by the head of IAD to Chairman/members of the Audit Committee for the purpose of estimation of interaction with the Audit Committee and assessment of conformity of internal audit activity to expectations of the Audit Committee.

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 8	total pages: 54
--------------------	--	---------	-----------------

5.3.2.2. The analysis of conformity of internal audit activity to the Policy of internal audit provides:

- estimation of completeness, urgency and conformity of the documents regulating activity of internal audit, to the Policy of internal audit;
- estimation of accomplishment of principles of realisation of the internal audit function, contained in the Policy of internal audit;
- estimation of accomplishment of requirements to internal auditors, contained in the Policy of internal audit;
- estimation of accomplishment of the Code of Ethics of internal auditors;
- estimation of accomplishment of documents of the Company regulating activity of internal audit.

5.3.2.3. The analysis of accomplishment of the tasks put to internal audit by the Board of Directors (Audit Committee) and the Company’s executive powers on the questions which are within the competence of internal audit, provides for:

- estimation of completeness and quality of accomplishment of events included in the work plan of IAD, broken down by tasks specified by the Policy of internal audit of the Company;
- analysis of decisions/orders of the Board of Directors (Audit Committee) and-or the Company’s executive powers on carrying out of off-schedule checks/other events, and estimation of completeness and quality of accomplishment of corresponding off-schedule checks/events.

5.3.2.4. The estimation of a current condition of the internal audit function is conducted by means of filling of the questionnaire of self-estimation of a current condition of the internal audit function (the questionnaire form is presented in Appendix 2 to this Program). For the analysis of dynamics of development of the internal audit function the estimation in points by the criteria provided in the questionnaire is performed and mean score calculation on the internal audit function as a whole is produced. The scale of estimation with the description is given in Appendix 2 to this Program.

5.3.2.5. The comparison of acting practices of internal audit with the best practice is conducted on the basis of accessible information on the best practice from the professional and periodic literature on subjects of internal audit, participation in conferences, in professional communities, results of consultations and interaction with employees of divisions of internal audit of other enterprises, and also teamwork under projects of the Company with external experts in the field of internal audit.

5.3.2.6. The estimation of accomplishment of the action plan on development and enhancement of internal audit activity includes the analysis of completeness, timeliness and productivity of events and, in the presence of deviations from the plan, the analysis of the reasons of deviations. By results of estimation offers on amendment and-or adjustment of the action plan on development and enhancement of internal audit activity are formed.

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 9	total pages: 54
--------------------	--	---------	-----------------

6. External quality evaluation of internal audit activity

6.1. The external quality evaluation of internal audit activity of the Company is produced by the independent external expert at least once every 5 (five) years. The external expert is selected according to the documents acting in the Company regulating the purchasing activity, and acts on the basis of an agreement with the Company, concluded when due hereunder.

6.2. The external estimation can be conducted in the form of a complete external estimation which is conducted by the independent expert/commission of experts, or a complete self-estimation with subsequent independent confirmation of its results qualified by the independent external expert or a commission of experts.

6.3. At establishment of criteria of a choice of the organisation – the expert for an external estimation the Company should provide the requirements providing independence and objectivity, professionalism and competence of such organisation and personnel of the organisation involved in interaction with the Company.

6.4. The format of an external estimation and a choice of the expert/organization, performing the external estimation, is considered by the Audit Committee and approved by the Board of Directors.

6.5. The external estimation should cover the basic spheres of internal audit activity of the Company according to the Policy of internal audit and include an estimation of requirements and criteria established by the Board of Directors (Audit Committee) and the Company's executive powers, and check of conformity of internal audit activity to the given requirements and criteria.

6.6. For achievement of optimum results it is necessary to include in the scope of work for the external estimation the same aspects, as at carrying out of the internal estimation.

6.7. At carrying out of the external estimation the head of IAD:

- gives the information on the organisation of activity and results of work of internal audit according to inquiries of the external expert (commission of experts);
- makes preliminary estimation of quality of the report prepared by the external expert (commission of experts), and forms comments/remarks to the report;
- participates in meetings on discussion of results of the external estimation.

6.8. By results of the external estimation the independent expert prepares the report provided by the agreement in which expresses opinion concerning conformity of the internal audit function to the Policy of internal audit of the Company, conformity to the International standards, and also specifies areas for development and recommendations about increase of efficiency of internal audit.

6.9. Results of the external estimation are given to the Board of Directors (with preliminary consideration by the Audit Committee).

6.10. The head of IAD is responsible for development of a plan of events and implementation of the recommendations contained in the report of the external expert on the quality evaluation of internal audit activity.

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 10	total pages: 54
--------------------	--	----------	-----------------

7. Presentation of results of estimation and development (actualisation) of the action plan on activity development and enhancement

7.1. By results of internal estimations the report on the quality evaluation of internal audit activity (hereinafter – the Report) is formed according to Appendix 6 to this Program.

7.2. The Report is given to the Board of Directors (with preliminary consideration by the Audit Committee) as part of an annual report of IAD about accomplishment of the work plan and results of internal audit activity.

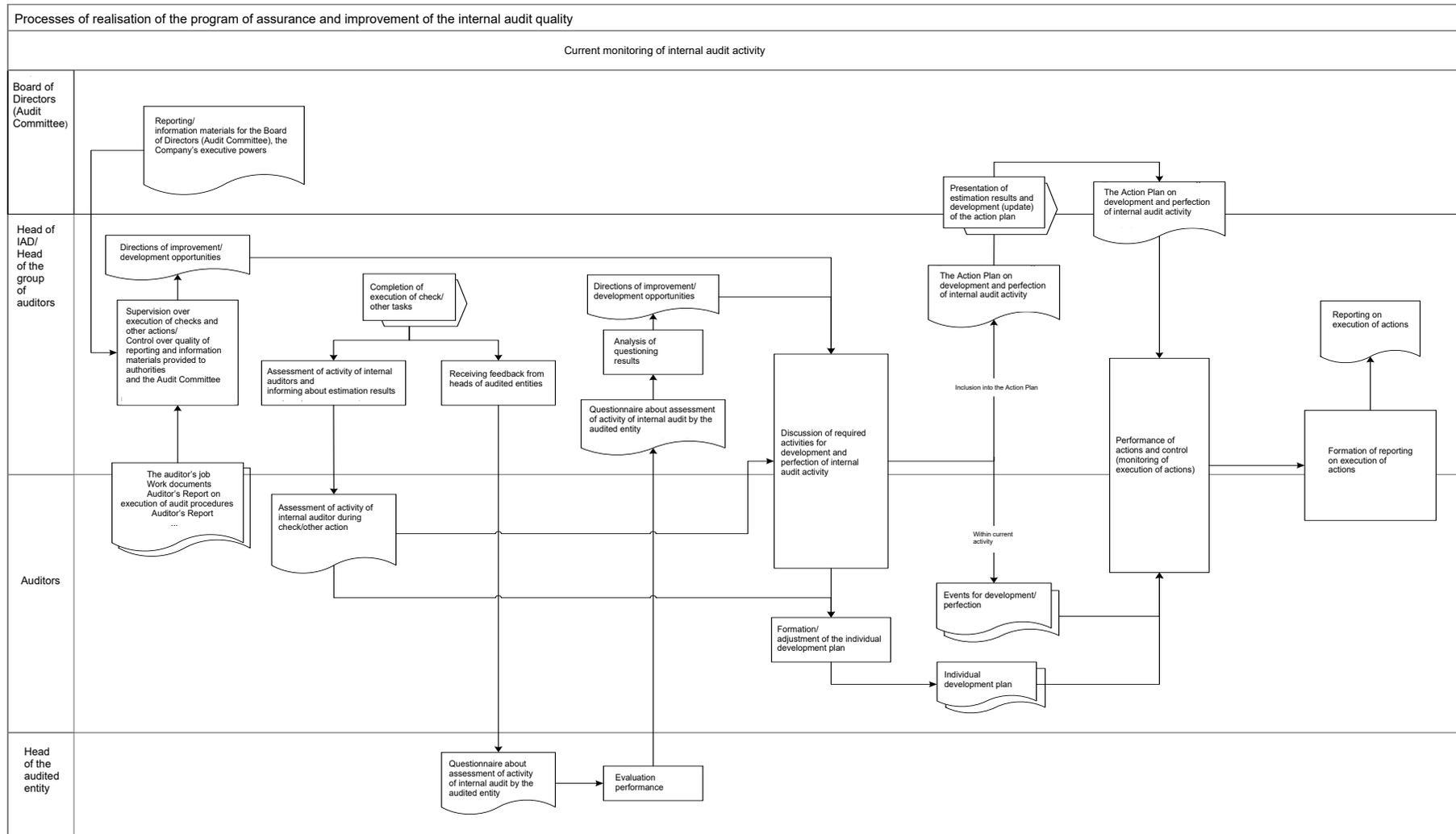
7.3. The Report can be given to executive powers of the Company and, at necessity, to other interested persons.

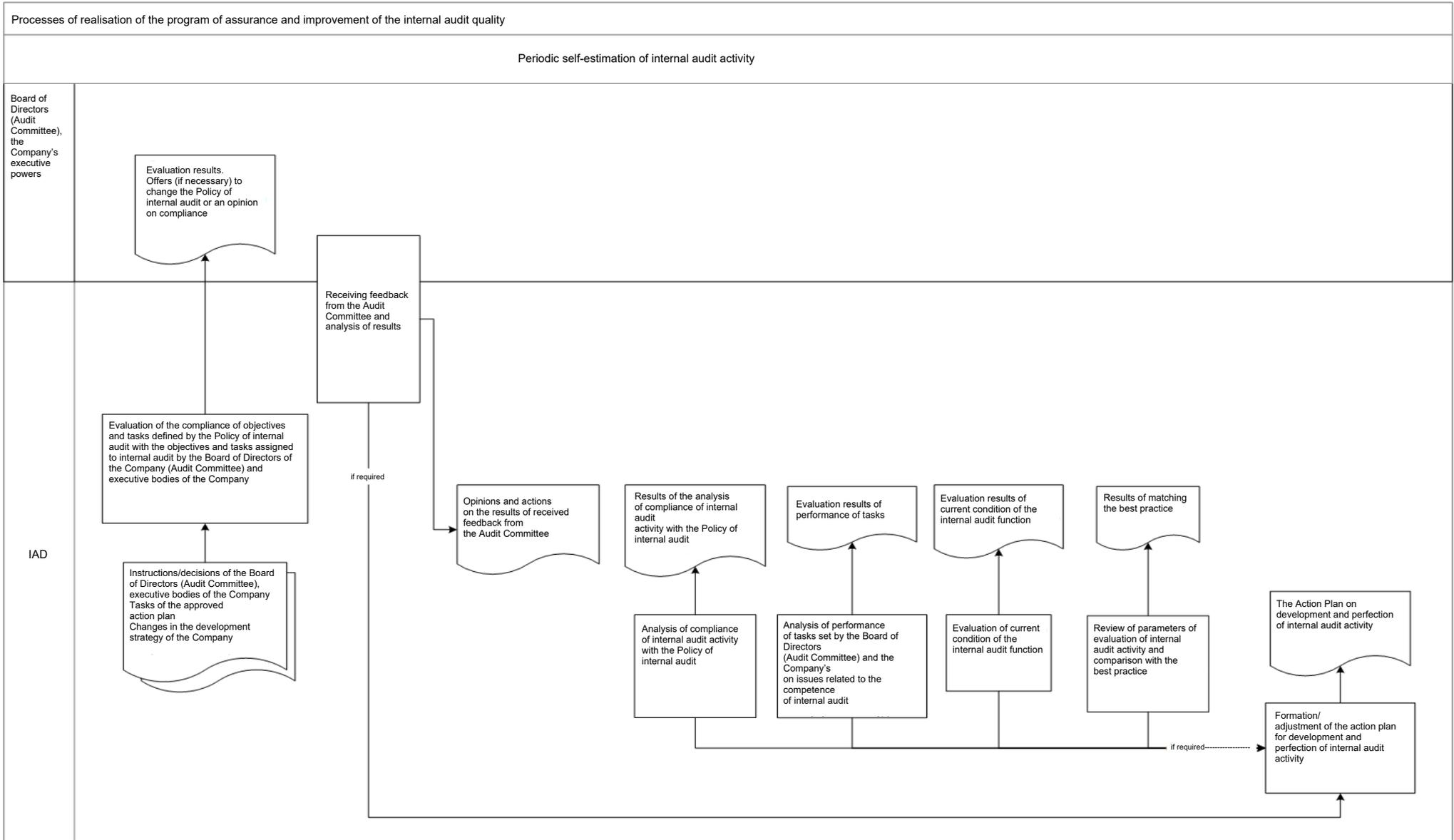
7.4. If by results of quality evaluations of internal audit activity discrepancy to the Definition of internal auditing, the Code of Ethics or to the International standards is revealed, and this discrepancy essentially influences the volume, content or quality of internal audit activity, the content of the Report includes the information on such discrepancies and their influence on activity.

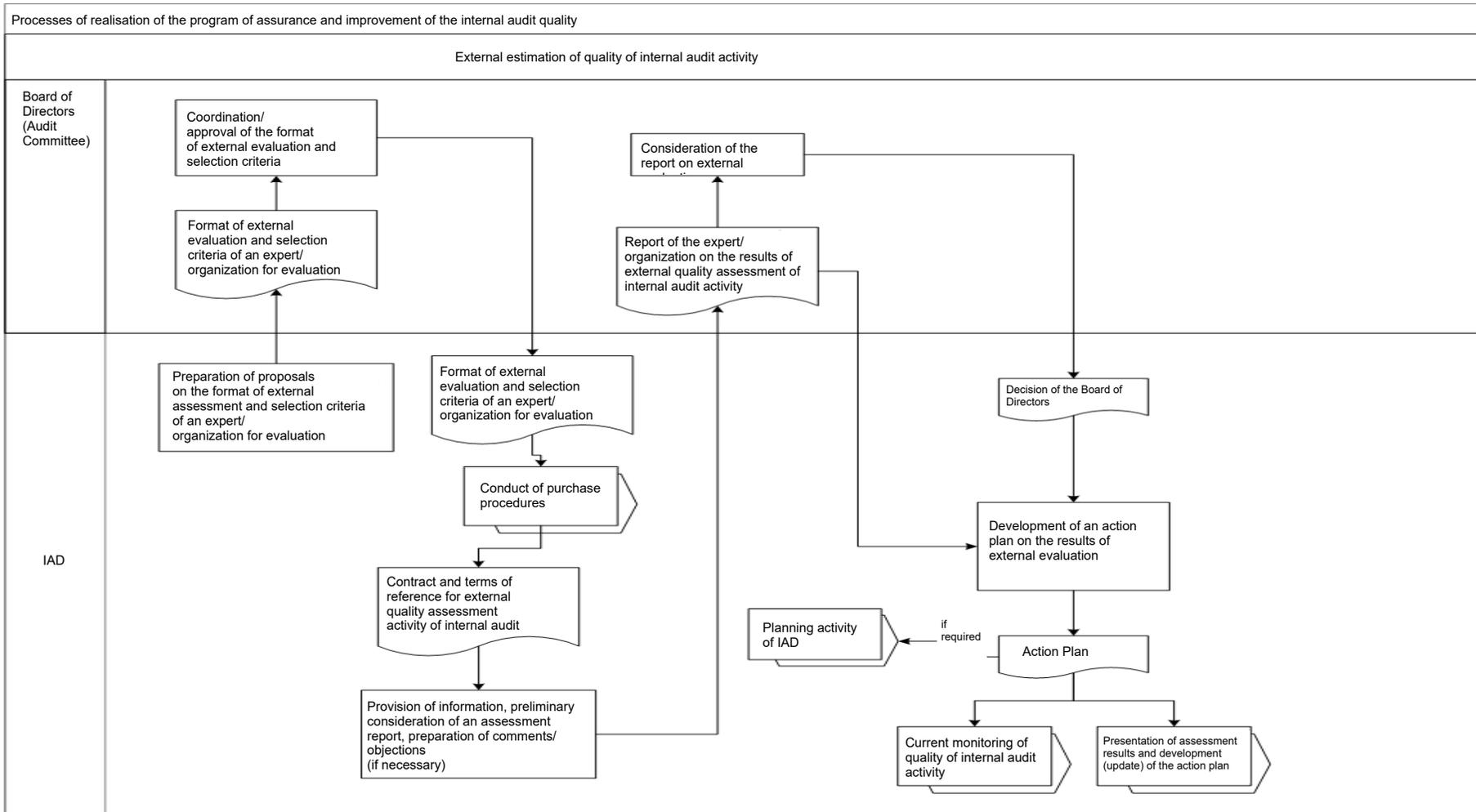
7.5. By results of the conducted internal and external estimations the head of IAD, if necessary, develops or adjusts an action plan on development and enhancement of internal audit activity. The action plan is presented for consideration to the Board of Directors (with preliminary consideration by the Audit Committee) as an appendix to the report by results of the internal quality evaluation of internal audit activity or to the report by results of the conducted external estimation.

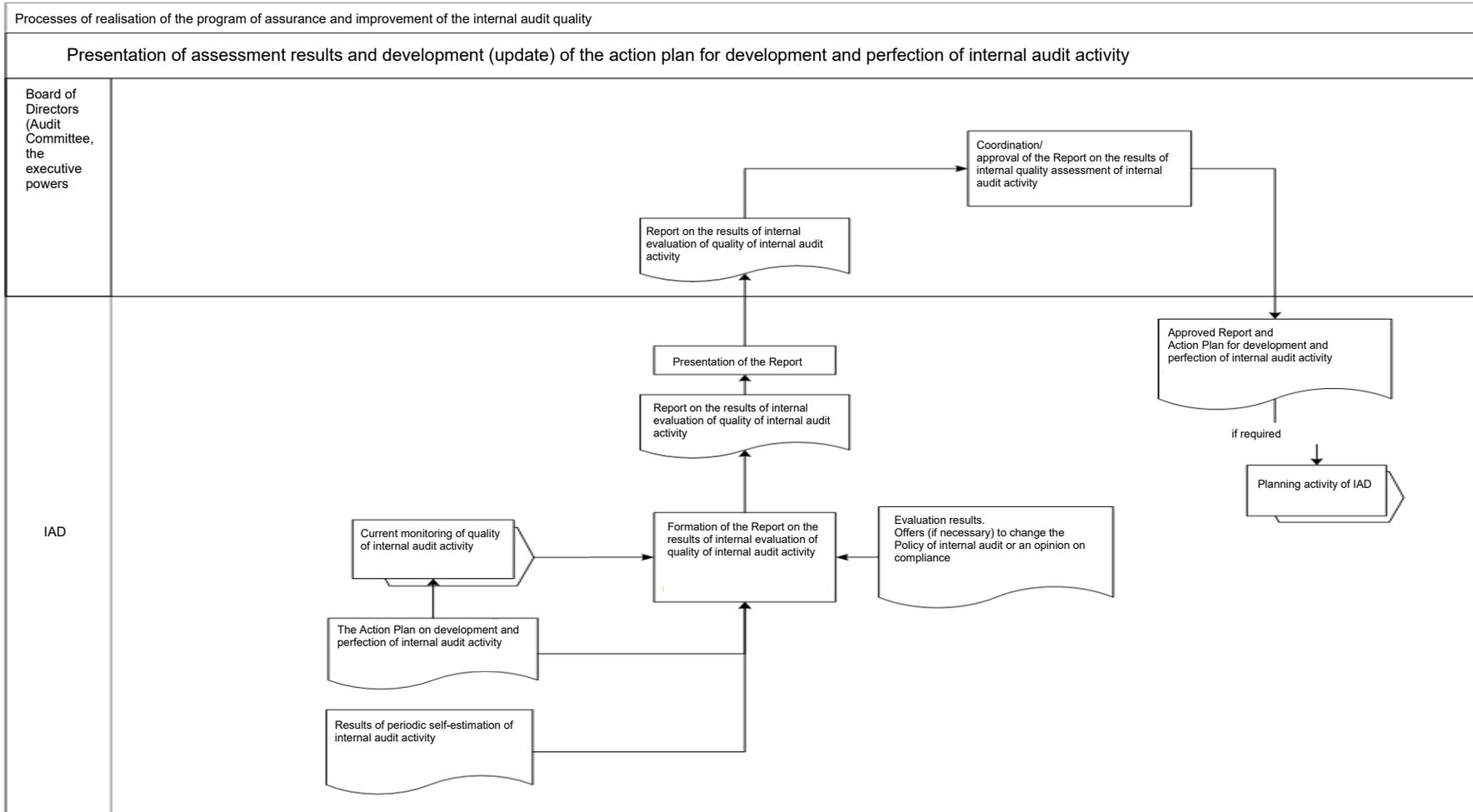
RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 11	total pages: 54
--------------------	--	----------	-----------------

The scheme of processes of realisation of the program of assurance and improvement of the internal audit quality









The form of the questionnaire of a self-estimation of a current condition of the internal audit function

Form RD-01-PG

The questionnaire of self-estimation of a current condition of the internal audit function

Estimation scale

Estimation	Point
Completely corresponds	4
As a whole corresponds	3
Partially corresponds	2
Does not correspond	1

Rules of calculation of estimations

1. Under each subpoint (criterion) of the third level from the table (the List of criteria of estimation of a current condition of the internal audit function) the point from 1 (one) to 4 (four) according to the scale of estimation is given or a dash is inserted if the criterion is inapplicable and a possibility to drop the criterion is specified in the corresponding point.
2. Calculation of values is produced for a group of criteria of the second level (numbering of the second level) by determination of an average arithmetic on the points (criteria) of the third level. Points, which have dashes inserted are put down, do not participate in calculation of an average arithmetic.
3. For the integrated group of criteria of the first level (numbering of the first level) the estimation is determined as an average arithmetic of values on the corresponding points of the second level.

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 16	total pages: 54
--------------------	--	----------	-----------------

4. The received values are rounded to the 1 (first) decimal place.

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 17	total pages: 54
--------------------	--	----------	-----------------

The list of criteria of estimation of a current condition of the internal audit function

Item #	Criteria of estimation	Estimation for a year		Description of condition/reference on confirming documents/justifications of changes in comparison with the previous self-estimation
		[previous ¹ year is specified]	[to specify a year for which the estimation is conducted]	
1	2	3	4	5
1	Purposes, powers and responsibility		= 1.1	
1.1	<i>Acknowledgement of the Definition of internal auditing, the Code of Ethics and the International standards in the Policy of internal audit</i>		<i>Average value of subpoint 1.1.1-1.1.6</i>	
1.1.1	The Policy of internal audit of the Company contains the provision about compulsion of application of the International standards			
1.1.2	The Policy of internal audit of the Company contains the provision about compulsion of application of the Definition of internal auditing			
1.1.3	The Policy of internal audit of the Company contains the provision about compulsion of observance of the Code of Ethics			

¹ Data for the previous year is given, starting from the second year of carrying out of an estimation

1.1.4	The Policy of internal audit, the Regulation about the internal audit division contain the description of the purposes, powers and responsibility of the internal audit, corresponding to the Definition of internal auditing, the Code of Ethics, the International standards			
1.1.5	The Policy of internal audit specifies character of services in provision of guarantees, rendered by internal audit (the definition of guarantees provision corresponding to the International standards is given)			
1.1.6	The Policy of internal audit specifies character of consulting services rendered by internal audit (the definition of provision of consultations corresponding to the International standards is given)			
2	Independence and objectivity		<i>Average value of subpoint 2.1-2.4</i>	
2.1	Organizational independence		<i>Average value of subpoint 2.1.1-2.1.4</i>	
2.1.1	In the Company's documents functional subordination of internal audit to the Board of Directors and administrative subordination - to General Director of the Company is fixed			
2.1.2	The Board of Directors approves the Policy of internal audit			
2.1.3	The Board of Directors approves the plan of activity and the internal audit budget			
2.1.4	The Board of Directors approves decisions on appointment, exemption from the post of the head of internal audit, and also determines compensation of the manager of the internal audit division			
2.2	Direct interaction with the Company's Board of Directors		<i>Average value of subpoint 2.2.1-2.2.2</i>	
2.2.1	The Policy of internal audit of the Company has a provision about direct interaction of the head of			

	internal audit with the Board of Directors (Audit Committee) of the Company			
2.2.2	The head of internal audit has possibility of direct interaction with the Board of Directors (Audit Committee)			
2.3	<i>Individual objectivity and absence of a conflict of interests</i>		=2.3.1	
2.3.1	Auditors were impartial and non-biased in the work and avoided the conflict of interests of any sort			
2.4	<i>The factors negatively influencing independence and objectivity</i>		<i>Average value of subpoint 2.4.1-2.4.3</i>	
2.4.1	A local regulation provides that the information on negative influence on organizational independence and individual objectivity (the personal conflict of interests, restriction of an audit scope, access rights to documentation, employees, assets, restrictions in resources, etc.) is communicated to the Board of Directors (to the Audit Committee) and to the Company's executive powers			
2.4.2	Procedures of disclosing of the information (in the presence of facts of negative influence on organizational independence and individual objectivity) are observed (<i>if there were no specified facts during the estimated period, a dash is inserted</i>)			
2.4.3	Auditors did not participate (during the estimated period) in checks and an estimation of those areas for which they bore responsibility earlier			
3	Professionalism and the professional relation to work		<i>Average value of subpoint 3.1-3.3</i>	
3.1	<i>Professionalism</i>		<i>Average value of subpoint 3.1.1-</i>	

			3.1.7	
3.1.1	Requirements to knowledge, skills and other competences, necessary for internal auditors for accomplishment of their job responsibilities are formalized			
3.1.2	Auditors collectively possess knowledge, skills and other competences, necessary for accomplishment of the tasks facing the division of internal audit in the estimated period			
3.1.3	Knowledge, skills and other competences, necessary for auditors are regularly estimated			
3.1.4	Internal auditors possess sufficient knowledge to estimate fraud risk and how the organisation manages this risk. At the same time it is not supposed that internal auditors possess the competence of the specialist, whose basic function consists in revealing and investigation of facts of swindle.			
3.1.5	A local regulation provides for attraction of foreign experts if employees of internal audit do not possess sufficient knowledge, skills and other competences for accomplishment of internal audit inspection or its part			
3.1.6	The internal audit division involves foreign experts if employees of internal audit do not possess sufficient knowledge, with skills and other competences for accomplishment of internal audit inspection or its part <i>(if there was no need for attraction of experts in the estimated period, a dash is inserted)</i>			
3.1.7	Internal auditors possess sufficient knowledge of key risks and control procedures connected with information technology, and are able to use automated methods of audit in volume, sufficient for accomplishment of the charged tasks. At the same time, it is not supposed that all internal auditors possess the competence of the internal auditor, whose basic function consists in audit of information technology.			
3.2	<i>The professional relation to work</i>		Average value of subpoint 3.2.1-	

			3.2.2	
3.2.1	Requirements of the professional relation to work are fixed in a local regulation			
3.2.2	Auditors show the professional relation to work			
3.3	<i>Continuous professional development</i>		<i>Average value of subpoint 3.3.1-3.3.2</i>	
3.3.1	Requirements on continuous professional development of auditors are fixed in a local regulation			
3.3.2	Auditors develop and carry out individual plans for development for acquisition/increase of level of knowledge, skills and other necessary competences			
4	The Program of assurance and improvement of the internal audit quality		<i>Average value of subpoint 4.1-4.6</i>	
4.1	<i>Requirements of the Program of assurance and improvement of quality</i>		<i>Average value of subpoint 4.1.1-4.1.6</i>	
4.1.1	Internal audit has developed the Program of assurance and improvement of quality (the Program of assurance) and performs it, including both internal, and external estimations			
4.1.2	The Program of assurance provides an estimation of all activity of internal audit			
4.1.3	All activity of internal audit is actually estimated within the limits of the Program of assurance			
4.1.4	The Program of assurance provides conformity assessment of internal audit activity to the Definition of internal auditing and the International standards and conformity assessment of activity of internal auditors to the Code of Ethics			

4.1.5	The Program of assurance provides an evaluation of performance and productivity of internal audit and revealing of possibilities for activity enhancement			
4.1.6	If by results of estimations areas, where improvements of internal audit activity are necessary, are revealed, the head of internal audit develops an action plan on enhancement of internal audit activity and organises its accomplishment (<i>if there were no lacks or areas demanding improvement during the estimated period revealed, a dash is inserted</i>)			
4.2	Internal estimations		Average value of subpoint 4.2.1-4.2.2	
4.2.1	The internal estimations, provided by the Program of assurance, include current monitoring of internal audit activity and periodic self-estimations which are conducted by internal audit			
4.2.2	Procedures of current monitoring and periodic self-estimation are observed			
4.3	External estimations		Average value of subpoint 4.3.1-4.3.4	
4.3.1	The Program of assurance provides external evaluations of quality of internal audit activity, conducted once every five years			
4.3.2	External quality evaluations of internal audit activity are carried out according to requirements established in the Program of assurance <i>(by the given criterion the estimation is put down at carrying out of the external estimation and remains to the following external estimation)</i>			
4.3.3	The Program of assurance provides a test of skills and independence of the external consultant (a group of advisers), chosen for estimation carrying out, including any possible conflict of interests			

4.3.4	Procedures of the test of skills and independence of the external consultant (a group of advisers), chosen for the estimation performance, are carried out <i>(by the given criterion the estimation is put down at carrying out of the external estimation and remains to the following external estimation)</i>			
4.4	Reporting under the Program of assurance and improvement of quality		Average value of subpoint 4.4.1-4.4.2	
4.4.1	The Policy of internal audit, the Program of assurance provides informing of the Board of Directors, executive powers on a quality evaluation of internal audit activity and an action plan execution on improvement of quality of activity and internal audit development			
4.4.2	At least once a year the head of internal audit presents to the Board of Directors and the executive management a report on results of internal estimations, plans of necessary actions and their realisation			
4.5	The use of the phrase «conforms to the International professional standards of internal auditing»		= 4.5.1	
4.5.1	The manager of the division of internal audit uses the phrase «conforms to the International professional standards of internal audit», if results of realisation of the Program of assurance confirm it <i>(if the specified phrase during the estimated period was not used, a dash is inserted)</i>			
4.6	Disclosing of the information on discrepancy		Average value of subpoint 4.6.1-4.6.3	
4.6.1	The Program of assurance provides informing of the Board of Directors and the Company's executive powers on a fact of discrepancy to the Definition of internal auditing, the Code of Ethics and the International standards and its consequences if the discrepancy influences volume, content			

	or quality of internal audit activity			
4.6.2	Informing procedures are carried out (in the presence of discrepancies) <i>(if there were no specified facts of discrepancies in the estimated period revealed, a dash is inserted)</i>			
4.6.3	Any discrepancies (at availability) are in due time corrected, corrective actions are documented <i>(if there were no specified facts of discrepancies in the estimated period revealed, a dash is inserted)</i>			
5	Management of internal audit		<i>Average value of subpoint 5.1-5.7</i>	
5.1	Planning		<i>Average value of subpoint 5.1.1-5.1.5</i>	
5.1.1	In the Company there is an approved order of plan development of internal audit activity (a planning order)			
5.1.2	The approved order of planning provides application of a risk-focused approach on the basis of construction of the audit universe and ranging of risks on audited entities			
5.1.3	The approved order of planning is put into practice			
5.1.4	At scheduling of internal audit activity the opinion of the Board of Directors and the Company's executive powers is considered			
5.1.5	At forming of the plan of activity offers on accomplishment of consulting tasks are considered, taking into account existing possibilities for improvement of a risk management process and enhancement of operational activity of the Company			

	5.2 Presentation and approval of plans of internal audit activity		Average value of subpoint 5.2.1-5.2.2	
5.2.1	A local regulation provides for coordination procedures of the plan of internal audit activity, its adjustments and approval by the Company's Board of Directors			
5.2.3	Procedures of coordination/approval of the plan of activity and its adjustment are carried out			
	5.3 Resource management		Average value of subpoint 5.3.1-5.3.6	
5.3.1	A local regulation provides that at scheduling of internal audit activity necessary resources for accomplishment of planned tasks taking into account consideration of the audit universe, risks of audited entities, expectations of stakeholders and other factors are determined			
5.3.2	At scheduling of internal audit activity necessary resources for accomplishment of the tasks provided by the plan taking into account consideration of the audit universe, risks of audited entities, expectations of stakeholders and other factors are determined			
5.3.3	The head of internal audit reports to the Board of Directors and the Company's executive powers about influence of restrictions in resources (at availability) on internal audit activity (<i>if there were no specified restrictions during the estimated period, a dash is inserted</i>)			
5.3.4	The head of internal audit provides efficiency of resource utilisation – auditors are appointed to certain sites of work taking into account their qualification, knowledge and experience.			
5.3.5	Completeness of resource utilisation is provided: constant working loading of all available resources			
5.3.6	The head of internal audit periodically interacts with the Board of Directors and executive powers			

	of the Company concerning a condition and sufficiency of resources of internal audit			
	5.4 Policy and procedures regulating activity of internal audit		<i>Average value of subpoint 5.4.1-5.4.5</i>	
5.4.1	The Code of Ethics of internal auditors is approved and updated			
5.4.2	The Regulation about the internal audit division is approved and updated			
5.4.3	Job descriptions of employees of the division of internal audit are approved and actual			
5.4.4	The Guide on carrying out of internal audit inspections is approved and updated			
5.4.5	The guide on monitoring of execution of plans of correcting actions developed by audited entities by results of internal audit inspections is approved and updated			
	5.5 Activity coordination		<i>Average value of subpoint 5.5.1-5.5.5</i>	
5.5.1	The Policy of internal audit provides interaction, information interchange and coordination of activity with other internal and external parties rendering services in provision of assurance and consultations			
5.5.2	With a view of provision of an appropriate scope and minimisation of double work the manager of the division of internal audit communicates and co-ordinates activity with other internal and external parties rendering services in provision of assurance and consultations			
5.5.3	The Policy of internal audit provides development of «the guarantee map»			
5.5.4	Internal audit develops and supports «the guarantee map», conducts audit inspections and an estimation of the internal control, risk management and corporate governance systems with taking			

	into account «the guarantee map»			
5.5.5	Internal audit conducts an estimation of suppliers of guarantees (quality and reliability of results of work, including applied methodology, procedures and methods used at an estimation, volume and character of work and so forth) on whose results of activity it relies			
5.6	<i>Reporting to the top executive management and the Board of Directors</i>		<i>Average value of subpoint 5.6.1-5.6.4</i>	
5.6.1	A local regulation established procedures of periodic reporting about results of internal audit activity, and also about a course of accomplishment of the plan of activity to the Board of Directors (to the Audit Committee) and to the Company's executive powers			
5.6.2.	Procedures of periodic reporting about results of internal audit activity, and also about a course of accomplishment of the plan of activity are observed			
5.6.3	A local regulation provides for informing the Board of Directors (Audit Committee) and the Company's executive powers about revealed infringements and lacks, and also about critical risks accepted by the management			
5.6.4	The Board of Directors (Audit Committee) and the Company's executive powers are informed on revealed infringements and lacks, and also about the critical risks accepted by management			
5.7	<i>The external service provider and responsibility for internal audit</i>		<i>Average value of subpoint 5.7.1-5.7.3</i>	
5.7.1	The decision on internal audit function transfer to outsourcing was accepted by the Company's Board of Directors (<i>if the internal audit function was not transferred to outsourcing, a dash is inserted</i>)			

5.7.2	In case of transfer to outsourcing of the internal audit function the Company implements the Program of assurance which contains conformity assessment of the internal audit function to the Definition of internal auditing, to the Code of Ethics and the International standards (<i>if the internal audit function was not transferred to outsourcing, a dash is inserted</i>)			
5.7.3	In case of transfer to outsourcing of separate checks and other tasks of internal audit, the control of their appropriate accomplishment is performed by the manager of the division of internal audit (<i>if accomplishment of separate checks or other tasks of internal audit were not transferred to outsourcing, a dash is inserted</i>)			
6	Essence of work of internal audit		<i>Average value of subpoint 6.1-6.3</i>	
6.1	Corporate governance estimation		<i>Average value of subpoint 6.1.1-6.1.5</i>	
6.1.1	The Policy of internal audit provides an estimation of corporate governance of the Company			
6.1.2	A local regulation regulates the methodology of estimation of corporate governance			
6.1.3	Internal audit regularly conducts an estimation of corporate governance of the Company according to the approved methodology			
6.1.4	Internal audit develops recommendations about increase of efficiency of corporate governance of the Company			
6.1.5	Results of estimation of corporate governance of the Company are reported to executive powers and the Company's Board of Directors			
6.2	Risk management system performance evaluation		<i>Average value of subpoint 6.2.1-</i>	

			6.2.6	
6.2.1	The Policy of internal audit provides evaluation of performance of a risk management system of the Company			
6.2.2	A local regulation regulates the methodology of performance evaluation of the risk management system			
6.2.3	Internal audit regularly conducts audit inspection with a view of performance evaluation of the risk management system of the Company according to the approved methodology			
6.2.4	Internal audit conducts performance evaluation of risk management of audited entities at accomplishment of internal audit inspections			
6.2.5	Internal audit develops recommendations about increase of effectiveness of the risk management system			
6.2.6	Results of performance evaluation of the risk management system are reported to executive powers and the Company's Board of Directors			
	6.3 Internal control system performance evaluation		<i>Average value of subpoint 6.3.1-6.3.6</i>	
6.3.1	The Policy of internal audit provides evaluation of performance of an internal control system of the Company			
6.3.2	A local regulation regulates the methodology of performance evaluation of the internal control system			
6.3.3	Internal audit regularly conducts audit inspection with a view of performance evaluation of the internal control system of the Company			

6.3.4	Internal audit conducts performance evaluation of procedures of internal control of audited entities at accomplishment of internal audit inspections			
6.3.5	Internal audit develops recommendations about increase of effectiveness of the internal control system			
6.3.6	Results of performance evaluation of the internal control system are reported to executive powers and the Company's Board of Directors			
7	Planning of internal audit inspection		<i>Average value of subpoint 7.1-7.6</i>	
7.1	Planning procedures		<i>Average value of subpoint 7.1.1-7.1.3</i>	
7.1.1	A local regulation regulates the methodology of planning of audit inspection			
7.1.2	The methodology of planning of audit inspection provides for analysis of the purposes and tasks, organisation of activity, risks and control means of an audited entity			
7.1.3	The approved methodology of planning of audit inspection is observed			
7.2	The audit inspection purposes		<i>Average value of subpoint 7.2.1-7.2.4</i>	
7.2.1	For each audit inspection its purposes are specified			
7.2.2	The audit inspection purposes are established by results of a provisional estimate of risks concerning an audited entity			
7.2.3	If with a view of check the performance evaluation is provided, then at availability with an audited entity of the formalized criteria of efficiency, internal audit analyzes completeness of the given			

	criteria and their conformity to the purposes of the audited entity and, if necessary, makes changes to contents/formulations of the criteria			
7.2.4	If with a view of check the performance evaluation is provided at absence with an audited entity of the formalized criteria of efficiency, internal audit independently forms criteria according to the purposes of the audited entity and discusses them with the head of the audited entity			
7.3	<i>Volume and scope of the audit inspection</i>		<i>Average value of subpoint 7.3.1-7.3.2</i>	
7.3.1	The volume and scope of the audit inspection are formed proceeding from the check purposes			
7.3.2	The volume and scope of the audit inspections were sufficient for goal achievement of the audit inspections			
7.4	<i>Resource allocation for audit inspection accomplishment</i>		<i>Average value of subpoint 7.4.1-7.4.2</i>	
7.4.1	At forming of the program of check internal audit determines volume of resources necessary for goal achievement of the audit inspection, taking into account specificity of the check, restrictions on terms and available resources			
7.4.2	At resource allocation knowledge, experience and other competences of the internal auditors, necessary for the check accomplishment is considered			
7.5	<i>The audit inspection program</i>		<i>Average value of subpoint 7.5.1-7.5.4</i>	
7.5.1	A local regulation provides development and documenting of the program of check and working plans of the auditors approved prior to the beginning of their accomplishment and allowing to			

	achieve the goals of the audit inspection			
7.5.2	The program of check and-or working plans of auditors determine procedures of collection, analysis, estimation and documenting of the information in the course of the audit inspection accomplishment			
7.5.3	Procedures of preparation and approval of the program of check/working plans of auditors are carried out			
7.5.4	Changes of the program of check are made in an order established in a local regulation (<i>if changes in the estimated period were not brought in programs of checks, a dash is inserted</i>)			
8	Accomplishment of the internal audit inspection		<i>Average value of subpoint 8.1-8.4</i>	
8.1	<i>Information collection</i>		<i>Average value of subpoint 8.1.1-8.1.2</i>	
8.1.1	A local regulation specifies requirements to volume and an order of documenting of the information which should be collected for check goal achievement			
8.1.2	The established requirements to the volume and order of documenting of the collected information are followed			
8.2	<i>Analysis and estimation</i>		<i>Average value of subpoint 8.2.1-8.2.3</i>	
8.2.1	A local regulation provides forming of conclusions and results of an audit inspection on the basis of analysis and estimation of the collected information			
8.2.2	Forming of conclusions and results of audit inspections is performed on the basis of the analysis			

	and estimation of the collected information			
8.2.3	A local regulation provides carrying out of audit procedures at accomplishment of checks			
8.2.4	The audit procedures, included in the program of check and-or working plans of auditors, are carried out			
8.3	Information documenting		<i>Average value of subpoint 8.3.1-8.3.4</i>	
8.3.1	A local regulation provides documenting of an audit inspection planning and accomplishment			
8.3.2	Requirements of the local regulation on documenting of planning and accomplishment of audit inspections are followed			
8.3.3	Document storage and access rules to documents concerning audit inspection are regulated			
8.3.4	Document storage and access rules to the documents concerning audit inspection are observed			
8.4	Control over check accomplishment		<i>Average value of subpoint 8.4.1-8.4.2</i>	
8.4.1	A local regulation provides control over accomplishment of internal audit inspection, including documenting and storage of certificates of the control			
8.4.2	Control procedures over accomplishment of audit inspections are observed			
9	Informing on results of audit inspection		<i>Average value of subpoint 9.1-9.5</i>	
9.1	Criteria of informing		<i>Average value of subpoint 9.1.1-</i>	

			9.1.3	
9.1.1	A local regulation provides that the report on results of audit inspection should include determination of the purposes, volume and scope of the check, and also corresponding observations, conclusions and recommendations			
9.1.2	A local regulation provides receiving comments of an audited entity by results of audit inspection, and, in case of disagreements between auditors and the audited entity, inclusion of the information on disagreements in the report			
9.1.3	Requirements to the report on results of audit inspection are observed			
9.2	Quality of messages (the auditor' report, and also statements from the report, information letters, etc.)		Average value of subpoint 9.2.1-9.2.4	
9.2.1	A local regulation contains requirements on quality assurance of messages of internal audit based on the results of check			
9.2.2	Messages by results of audit inspection conform to requirements of the local regulation			
9.2.3	A local regulation provides procedures of correction of essential revealed errors and omissions in reports and communication of the corrected information to all persons who have received an initial variant of the report			
9.2.4	Procedures of correction of the revealed errors are observed (<i>if there were no specified errors in the estimated period, a dash is inserted</i>)			
9.3	The use of the phrase «executed according to the International professional standards of internal auditing»		Average value of subpoint 9.3.1-9.3.2 or a dash	
9.3.1	The phrase «executed according to the International professional standards of internal auditing» is			

	used in internal audit reports only if results of realisation of the program of assurance and improvement of quality confirm it <i>(if the specified phrase during the estimated period was not used in internal audit reports, a dash is inserted)</i>			
9.3.2	<p>If within the limits of a separate audit inspection there was discrepancy to the Definition of internal auditing, provisions of the Code of Ethics or to the International standards, the report contains:</p> <ul style="list-style-type: none"> – a principle/article of the Code of Ethics/ the International standards, conformity to which it did not provide; – the discrepancy reasons; – influence of the discrepancy on accomplishment of the audit inspection and its results. <p><i>(If there were no specified discrepancies in the estimated period, a dash is inserted)</i></p>			
	9.4 Reporting of results		Average value of subpoint 9.4.1-9.4.3	
9.4.1	A local regulation specifies the circle of persons to whom results of accomplishment of audit inspection, a format and procedures of provision of the reporting, are given			
9.4.2	The procedures and the form of provision of the reporting are observed			
9.4.3	<p>In case of transfer of results of the audit inspection to third parties the head of internal audit estimates risks for the Company and establishes restrictions on information use</p> <p><i>(If cases of transfer of results of audit inspections to outer sides in the estimated period was not, a dash is inserted)</i></p>			
	9.5 The concluding opinion		Average value of subpoint 9.5.1-	

			9.5.2	
9.5.1	In case of inclusion in the purposes of audit inspection of forming of the concluding opinion (a summary performance evaluation of the internal control system of an audited entity, a summary performance evaluation of the audited entity), a local regulation provides that reporting on the results of check contains criteria of forming of the concluding opinion			
9.5.2	Procedures of forming of the concluding opinion are observed			
	10 Monitoring of actions by results of internal audit inspection		= 10.1	
	10.1 Procedures of monitoring of actions by results of internal audit inspection		<i>Average value of subpoint 10.1.1-10.1.2</i>	
10.1.1	A local regulation regulates procedures of monitoring of actions by results of audit inspection			
10.1.2	Monitoring procedures are observed			
	11 Informing on accepted risks		= 11.1	
	11.1 Procedures of informing on the accepted risks		<i>Average value of subpoint 11.1.1-11.1.2</i>	
11.1.1	A local regulation provides informing of executive powers and the Company's Board of Directors if the head of an audited entity has taken the decision on the risk accepting which level cannot be acceptable for the Company			
11.1.2	Informing procedures are observed <i>(If there were no cases of accepting of unacceptable risks by audited entities during the estimated period, a dash is inserted)</i>			

	Overall assessment		<i>Average value of subpoint 1-11</i>	
--	---------------------------	--	---------------------------------------	--

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 38	total pages: 54
--------------------	---	----------	-----------------

The form of the questionnaire of estimation of activity of the internal auditor

Form RD-02-PG

The questionnaire of estimation of activity of the internal auditor at task accomplishment

Auditor:

Full name

Task name:

Task duration:

№	Criteria	Estimation*	Comments
1			
1	The head of the auditors' group provides the current control of appropriate quality of carrying out of check according to requirements of the Guide on carrying out of internal audit inspections.		
2	The auditor provides completeness of accomplishment of the task.		
3	The auditor provides timeliness of accomplishment of the task.		
4	The auditor represents qualitative opinions and recommendations.		
5	The auditor provides conformity of the scope of the executed work and the prepared documentation to requirements of local normative documents of IAD.		
RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 39	total pages: 54

6	The auditor expresses impartial and unbiased opinion and acts fairly, showing objectivity ¹ and professional scepticism ² .		
7	The auditor discloses all material facts known to him which in case of concealment can deform the auditor's report data.		
8	The auditor informs the head of IAD at origin of essential restrictions of powers or other restrictions capable negatively to affect accomplishment of check and-or on activity of internal audit.		
9	The auditor possesses sufficient knowledge of key risks and control procedures connected with information technology, and is able to use automated methods of audit in volume, sufficient for accomplishment of the program of check/other task ³ .		
10	The auditor possesses sufficient knowledge to estimate fraud risk and how this risk management is exercised ⁴ .		
11	The auditor has shown knowledge of activity of the Company, business processes (other audited entities).		
12	The auditor applies skills of communications and teamwork, conflict management ⁵ .		
13	The auditor does not admit of origin of a conflict of interests ⁶ .		

¹ Objectivity is a mindset which allows the auditor to carry out the task without prejudice so that he had faith in results of the work and did not admit of compromises concerning its quality. Objectivity demands that the auditor not subordinate the opinion concerning audit to opinion of other persons

² Professional scepticism is understood as a critical estimation of weightiness of received proofs and studying of proofs contradicting any documents or statements of the management, or putting under doubt reliability of such documents or statements

³ Thus it is not supposed that the internal auditor possesses the competence of the specialist, whose basic function consists in audit of information technology

⁴ Thus it is not supposed that internal auditors possess the competence of the specialist, whose basic function consists in revealing and investigation of facts of swindle

⁵ Tactfulness and correctness in both written oral communications and interaction with employees of IAD and other structural divisions, and also with other interested persons is considered. Goodwill, capability to constructive teamwork, skills of prevention and resolution of conflicts at work are estimated

⁶ At estimation is considered whether the auditor abstained from:

- carrying out of check of those spheres of activity for which he bore responsibility within a year prior the check;

14	The auditor does not use and does not disclose confidential information without corresponding powers/requirements of the legislation of the Russian Federation for that.		
Overall assessment and comments:			

Estimation was conducted by

Head of the auditors' group/
Head of IAD

Signature

Date

I have acquainted and agree/do not agree with
the estimation (underline as appropriate)

Explanatory (obligatory in case of
disagreement)

Auditor:

Signature

Date

Estimation*	Description
Completely corresponds	Completely corresponds to criterion taking into account a taken position and a role in task accomplishment
As a whole corresponds	Corresponds to criterion taking into account a taken position and a role in task accomplishment, separate lacks, which are not influencing essentially on quality of accomplishment of work, have been noted
Partially corresponds	Partially corresponds to criterion, lacks influence quality of

- participation in checks and other tasks in case of availability of financial, property, related or any other interest in activity of the audited entity;
- participations in any activity which could damage his impartiality or be perceived as causing such damage.

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 41	total pages: 54
--------------------	--	----------	-----------------

	accomplishment of work, their elimination is necessary
Does not correspond	Does not correspond to criterion - multiple lacks, essentially influencing quality of accomplishment of work, have been noted
Does not apply	The criterion is inapplicable

The form of the questionnaire of estimation of internal audit by the audited entity

Form RD-03-PG

The questionnaire of estimation of internal audit by the audited entityName of check/audited entity: *Filled in by IAD*Terms of carrying out of check: *Filled in by IAD*

№	Statements	Estimation*	Remarks **
1	The head of the audited entity has been informed on the terms and program of the check according to the procedure established by the Regulations of interaction of IAD of the Company with structural and isolated divisions of the Company at carrying out of checks and monitoring of execution of plans of correcting actions of the Company (hereinafter – the Regulations on interaction).		
2	Terms of carrying out of the check have been established so that to cause the least inconveniences in the course of realisation by the audited entity of the current activity (periods of increased loading, reorganisation and so forth were considered).		
3	The information and documents for audit carrying out were enquired properly, concrete terms and methods of provision of the information were established.		
4	The head of the audited entity was in due time informed on arising problems.		
5	Terms of the audit and the agreed operating procedure at		

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 43	total pages: 54
--------------------	---	----------	-----------------

	the audited entity were observed by the auditors' group.		
6	Auditors co-operated with employees of the audited entity correctly and tactfully, efficiency of interaction was high.		
7	The internal audit division informed the head of the audited entity on progress of the check according to the procedure established by the Regulations on interaction.		
8	Conclusions have been formulated clearly.		
9	Recommendations are useful and constructive.		

* The estimation of accomplishment of each of the statements is produced on the following scale:

1. corresponds;
2. corresponds with remarks;
3. does not correspond;
4. does not apply.

** - for the estimations «corresponds with remarks» or «does not correspond» it is necessary to give justifications/comments in the «Remarks» column.

Offers and comments:

Head of the audited entity:

Estimation date:

The form of the questionnaire of estimation of internal audit by the Audit Committee of the Board of Directors of the Company

Form RD-04-PG

The questionnaire of quality evaluation of internal audit activity by the Audit Committee of the Board of Directors of the Company

for _____

№	Statements	Estimation*	Remarks **
1	2	3	4
1	The internal audit division implements decisions/instructions of the Audit Committee within fixed terms.		
2	Representatives of the division of internal audit participate in all meetings of the Audit Committee at which the questions which are within the competence of internal audit are considered.		
3	The internal audit division provides preliminary consideration by the Audit Committee (for subsequent bringing for approval by the Board of Directors) of the plan of internal audit activity, the budget of the division of internal audit, and also policies/changes in the policy of the Company in the field of internal audit.		
4	Reports on activities of the division of internal audit, the information on a course of accomplishment of the plan of internal audit activity (including the information on results of conducted checks) are presented to the Audit Committee.		

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 45	total pages: 54
--------------------	---	----------	-----------------

5	Results of estimation of a condition and efficiency of the internal control, risk management and corporate governance systems are presented to the Audit Committee.		
6	Results of an internal quality evaluation of internal audit activity are presented to the Audit Committee.		
7	Results of an external quality evaluation of internal audit activity (if the external estimation was conducted in the estimated period) are presented to the Audit Committee.		
8	Level of preparation for meetings of the Audit Committee, shown by the internal audit division, is high.		
9	Reports and other materials, given by the division of internal audit for consideration of the Audit Committee, are substantial, actual, accurately and clearly formulated.		
10	The internal audit division informs the Audit Committee on important questions, including questions of restriction of auditors' activity, accepting by the head of the audited entity of unacceptable risk, revealing of displays of corruption and swindle.		

* - the estimation of accomplishment of each of the statements is produced on the following scale:

1. corresponds;
2. corresponds with remarks;
3. does not correspond;
4. does not apply.

** - for the estimations «corresponds with remarks» or «does not correspond» it is necessary to give justifications/comments in the «Remarks» column.

Offers and comments:

Estimation was executed: *Full name / post*

Estimation date:

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 47	total pages: 54
--------------------	--	----------	-----------------

The form of the report by results of an internal quality evaluation of internal audit activity

Form RD-05-PG

APPROVED BY

the decision of the Board of Directors

from _____ (Minutes

№ _)

THE REPORT

by results of the internal quality evaluation of internal audit activity

1. Key conclusions

[Activity on assurance and improvement of quality of internal audit is performed
- according to the Program of assurance and improvement of quality of the internal audit,
approved by the decision of the Board of Directors from _____ (Minutes № _____)
- on the basis of the work plan of IAD for ___ year, approved by the decision of the Board
of Directors from _____ (Minutes № _____)
- according to the action plan on development and enhancement of internal audit activity.]

[The results of the conducted estimation confirm:
- Conformity of internal audit activity of the Company to the Policy of internal audit of the
Company;
- Conformity of internal audit activity of the Company to the Definition of internal auditing;
- Observance of the Code of Ethics;
- Accomplishment of the action plan on development and enhancement of internal audit
activity with a view of implementation and application of the International standards]

If by results of estimations discrepancy to the Definition of internal auditing, the Code of Ethics or to the International standards is revealed, essentially influencing the volume, scope or quality of internal audit activity, the information on discrepancy and its influence on internal audit activity is provided.

2. Aggregate results of the internal estimation (self-estimation) of quality of internal audit activity

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 48	total pages: 54
--------------------	--	----------	-----------------

2.1. Conformity of the purposes and the tasks, specified by the Policy of internal audit, to the purposes and the tasks put to internal audit by the Board of Directors (Audit Committee) and the Company's executive powers

The main results of the conducted analysis are provided, necessity of modification is underlined or conformity of the purposes and the tasks, specified by the Policy of internal audit, to the purposes and the tasks put to internal audit is confirmed.

2.2. The conformity of internal audit activity to the Policy of internal audit

The estimation and the short justification of the given estimation are provided.

2.3. The estimation of a current condition of the internal audit function

The short description of results of estimation of a current condition of the internal audit function, and also the achieved results (change in comparison with the previous estimation) is provided.

2.4. The analysis of accomplishment of the tasks put to internal audit

Brief information on accomplishment of the work plan of IAD and other information testifying to accomplishment of the tasks, put to internal audit by the Board of Directors (Audit Committee) and the Company's executive powers on the questions, which are within the competence of internal audit, is provided

2.5. The action plan accomplishment on development and enhancement of internal audit activity

Brief information on the plan accomplishment is provided.

2.6. Other information reflecting results of the self-estimation

Brief information on results of current monitoring of quality of internal audit activity, information received as feedback from the Audit Committee is provided. It is recommended to reflect the information on results of comparison of practices of internal audit in place with the best practice.

3. Directions of development and enhancement of internal audit activity

The main directions and actions for inclusion in the plan for development and enhancement of internal audit activity are provided.

Appendices:

Appendix 1 «The Action plan on development and enhancement of internal audit activity»

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 49	total pages: 54
--------------------	--	----------	-----------------

Form RD-06-PG

Appendix # 1

to the Report by results of the internal quality evaluation of internal audit activity

THE ACTION PLAN
on development and enhancement of internal audit activity
for the period from ____ to ____

On the direction* «Enhancement of interaction with the Board of Directors, the Audit Committee and the executive management»

№	Action	Terms	Purposes

On the direction «Increase of overall performance»

№	Action	Terms	Purposes

On the direction «Professional development of personnel of IAD»

№	Action	Terms	Purposes

On the direction «Enhancement of standard provision of activity of IAD»

№	Action	Terms	Purposes

On the direction «Enhancement of interaction with audited entities»

№	Action	Terms	Purposes

* examples of possible directions of development and activity enhancement are specified. If necessary one should exclude, correct or add other directions.

The form of an individual plan for development of an employee of IAD

Form RD-07-PG

The individual plan for development of the employee

Explanatories on the form use

Professional development planning is an obligation of the employee and is carried out with a view of development of the employee.

At the commencement of employment (following the results of a probation period) or in the first quarter of a current year the employee fills in the individual plan for development (IPD).

Competence and experience, necessary for goal achievement of the employee, are determined for forming IPD.

The employee discusses the purposes of professional development and, in case of difficulties, determines jointly with the immediate manager.

Within a year the employee controls accomplishment of the IPD and, if necessary, discusses its accomplishment with the head.

1. Information on the employee	
---------------------------------------	--

RK BP 1/08-01/2016	Guide «The Program of assurance and improvement of the internal audit quality»	page: 51	total pages: 54
--------------------	--	----------	-----------------

Full name of the employee			
Division and post of the employee			
2. Professional development purposes			
1			
2			
3. Training events and actions			
	Description	When	Comments
1			
2			
4. Development of competences			
Specify, what competences / skills require development, set measurable target objectives which you plan to reach			
№	Skill or competence	Target objective	
		Full name	Date
		Signature	

Employee:			
Immediate manager:			

Record of changes and amendments

Indexing number of the change/addition	Change/addition of the point	Scope of the change/addition	Reason (reference to organizational and executive documentation)	Date of entering of change/addition	Employee who made the change/addition surname, initials, post