

MAURITIUS OIL REFINERIES LIMITED AND ITS SUBSIDIARIES**INTERNAL AUDIT CHARTER****1. PURPOSE**

1.1 The purpose of Internal Audit is to provide independent, objective assurance and consulting activities designed to add value, assurance and improve the organization's operations. It assists the organization in accomplishing its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

2. STANDARDS FOR THE PROFESSIONAL PRACTICE OF INTERNAL AUDITING

2.1 Internal Audit shall adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework.

3. MEMBERSHIP

3.1 The Group Internal Auditor can either be externalized or internalized. However, it should remain an independent function of the Company.

3.2 The appointment of the Group Internal Auditor is approved by the Board of Directors and its responsibilities are established and defined by the Audit and Risk Committee members.

3.3 If the function is internal, the Group Internal Audit Manager is appointed by the Board, after recommendation of the Audit and Risk Committee.

4. RECORD KEEPING

4.1 During the internal audit, the Group Internal Auditor should keep a record of those who have been contacted and provided information.

5. AUTHORITY

5.1 If the function is internal, the Group Internal Audit Manager reports functionally to the Chairperson of the Audit and Risk Committee and administratively to the Managing Director. If external, the Group Internal Auditor reports to the Chairperson of the Audit and Risk Committee.

5.2 To establish, maintain, and assure that Internal Audit has sufficient authority to fulfil its duties, the Audit and Risk Committee will:

- a. Recommend the Internal Audit Charter to the Board for approval
- b. Approve the risk-based internal audit plan on a yearly basis
- c. Approve the Group Internal Audit's budget and resource plan
- d. Receive communications from the Group Internal Auditor on the Internal Audit's performance relative to its plan and on other matters
- e. Approve decisions regarding the appointment and removal of the Group Internal Audit Manager, if internal

- 5.3 The Group Internal Audit Manager will have unrestricted access to, communicate and interact directly with, the Audit and Risk Committee members, including in private meetings without management present.
- 5.4 Internal Audit has full, free, unrestricted access to all functions, records, physical properties and personnel necessary to discharge its responsibilities, subject to accountability for confidentiality and safeguarding of records and information.
- 5.5 The Audit and Risk Committee members authorize Internal Audit to obtain assistance from specialized services outside the organization in order to complete its engagement.
- 5.6 The Group Internal Audit Manager has a standing invitation to attend meetings of the executive committee.
- 5.7 The Group Internal Audit Manager will refrain from initiating or approving transactions other than for the administration of the department own staff.

6. INDEPENDENCE AND OBJECTIVITY

- 6.1 Internal auditors will maintain an unbiased mental attitude that allow them to perform engagements objectively and in such a manner that no work quality compromises are made and that they do not subordinate their judgement on audit matters to others.
- 6.2 Internal auditors will have no direct operational responsibility or authority over any of the activities audited.
- 6.3 Where the Group Internal Audit Manager has or is expected to have roles and responsibilities that fall outside of internal auditing, safeguards will be established to limit impairments to the independence of objectivity.
- 6.4 The Group Internal Auditor will confirm to the Audit and Risk Committee members, at least annually, the organizational independence of the Internal Audit function.
- 6.5 The Group Internal Auditor will disclose to the Audit and Risk Committee members any interference and related implications in determining the scope of internal auditing, performing work, and/or communicating results.

7. SCOPE OF INTERNAL AUDIT ACTIVITIES

The Internal Audit assessments are to evaluate that:

- 7.1 Risks relating to the achievement of the organization's strategic objectives are appropriately identified, mitigated and managed.
- 7.2 Internal control system is effective and efficient.
- 7.3 Financial, operational and management information are reliable and accurate.
- 7.4 Resources and assets are acquired economically, used efficiently, and protected adequately.
- 7.5 Directors' and employees' actions are in compliance with the Company's constitution, policies, procedures, applicable laws and regulations.
- 7.6 Established processes and systems enable compliance with the Company's constitution, policies, procedures, laws and regulations.

8. RESPONSIBILITY

The Group Internal Auditor has the responsibility to:

- 8.1 Submit annually to the Audit and Risk Committee members a risk-based internal audit plan for review and approval; this should include any job or consulting activities to be performed for associate or third parties.
- 8.2 Review and adjust the internal audit plan, as necessary, in response to changes in business, risks, operations, programmes, systems, and controls.
- 8.3 Communicate to the Chairperson of the Audit and Risk Committee and to the Managing Director any significant interim changes to the internal audit plan.
- 8.4 Develop a reasonable budget sufficient to accomplish the approved audit plan.
- 8.5 Ensure each engagement of the Group internal audit plan is executed and the results communicated with applicable conclusions and recommendations to members of the Audit and Risk Committee, the Managing Director and any other relevant parties.
- 8.6 Follow up on engagement findings and corrective actions, and report periodically to the members of the Audit and Risk Committee and the Managing Director any corrective actions not effectively implemented.
- 8.7 Carry out any ad hoc reviews or special investigations as requested by either the Chairperson of the Audit and Risk Committee or the Managing Director subject to the approval of Audit and Risk Committee and ensure that appropriate actions have been taken thereafter.
- 8.8 Ensure the Internal Auditors possess or obtain the knowledge, skills and other competencies needed to meet the requirements of the Group Internal Audit Charter.
- 8.9 Ensure trends and emerging issues that could impact the organization are considered and communicated to the Chairperson of the Audit and Risk Committee and the latter will thereafter inform the Managing Director.
- 8.10 Keep the Audit and Risk Committee members informed of emerging trends and successful practices in internal auditing.
- 8.11 Establish and ensure adherence to policies and procedures designed to guide the internal audit activities.

9. TRAINING AND DEVELOPMENT

- 9.1 Internal Auditors will be expected to participate in any induction or orientation programs and any continuing education or training arranged for them.
- 9.2 The development needs of the Internal Auditors shall be identified and appropriate training be provided to continuously update their skills and knowledge so that they fulfil their role.
- 9.3 Have access to sufficient resources to carry out their duties, including access to the Company Secretariat for assistance as required.

10. CONFIDENTIALITY

10.1 Internal Auditors shall hold in strictest confidence and shall not disclose, use, or publish any of the Company's proprietary information, except as such disclosure, use or publication may be required in connection with their work, or by law.

11. REVIEW OF INTERNAL AUDIT PERFORMANCE

11.1 The Audit and Risk Committee members shall review the performance of the Group Internal Audit function on an annual basis.

12. REVIEW OF CHARTER

12.1 The Audit and Risk Committee will periodically assess the adequacy of the purpose, authority, scope of activities and responsibility, as defined in the Charter, to enable the Internal Audit function to accomplish its objectives.

THIS CHARTER WAS APPROVED BY THE BOARD OF DIRECTORS OF MAURITIUS OIL REFINERIES LIMITED AT ITS MEETING HELD ON 12 MAY 2023