Issued by: Head of Internal Audit / Olga Kubar		24/02/2025
Approved by: EVP Legal, Risks & Compliance / Christophe Hamon		25/02/2025

1. PURPOSE

The purpose of this policy is to establish the framework within which the Group Internal Audit (GIA) function operates within Mayoly Group. This policy complements Mayoly Group Internal Audit Charter ("Charter").

2. SCOPE

This policy applies to GIA activities. GIA operates globally across Mayoly, extending to external partners when necessary. GIA scope encompasses all Mayoly activities whether they are conducted in countries, in industrial sites or at headquarters.

GIA has full, free, and unrestricted access to all functions, data, individuals, third parties and assets required to accomplish its engagements, in respect of confidentiality and protection of information.

3. RESPONSIBILITY

The mission of GIA is to provide independent, risk-based, objective assurance and consulting activity to enhance and protect Mayoly's organizational value and improve operations.

GIA contributes to the achievement of Mayoly's objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

GIA carries its mission guided by the Global Internal Audit Standards™ ("Standards") by the Institute of Internal Auditors (IIA), including their local adaptation by the Institut Français de l'Audit et du Contrôle Interne (IFACI).

The Head of Internal Audit is responsible for managing GIA activities, including the audit plan, audit engagements, follow-up on action plans, and reporting, in line with the Charter and the Standards.

4. GIA INDEPENDENCE:

GIA maintains independence in determining the scope of internal auditing, performing work, and communicating results. GIA is free from operational influence or conflict and has no direct operational responsibility over audited activities. GIA position in the Group is represented in the Appendix 1.

5. GIA SERVICES

GIA provides both assurance and advisory services. The balance between them is documented in the audit plan.

Assurance services: GIA provides objective assessments of the differences between the existing conditions of an activity under review and a set of evaluation criteria. GIA evaluates the differences to determine whether there are reportable findings and to provide a conclusion about the engagement results, including reporting when processes are effective.

Examples of assurance services include compliance, financial, operational/performance, and technology engagements. Assurance audit engagements mainly, but not exclusively, focus on:

- evaluating the management of risks relevant to Mayoly's objectives;
- checking that resources and assets are acquired cost-effectively, used efficiently, and protected adequately;
- verifying that outcomes of programs, processes and systems align with established objectives;
- ensuring alignment of actions with Mayoly's governance, policies, and procedures and compliance with laws and regulations.

Advisory engagements: The nature and scope of advisory services is subject to agreement with the party requesting the services. Examples include advising on the design and implementation of new policies, processes, systems, and products; providing forensic services; providing training; and facilitating discussions about risks and controls. GIA may initiate advisory services or perform them at the request of the Board, Senior Management, or the Management of an activity. When performing advisory services, GIA is expected to maintain objectivity by not taking on management responsibility.

6. AUDIT PLAN

GIA is responsible for establishing an annual risk-based internal audit plan that identifies the engagements and other internal audit services anticipated to be provided during the year.

The plan considers the Group's strategic objectives, risks, regulatory requirements, and stakeholder expectations. It is risk-based and dynamic, reflecting timely adjustments in

response to changes affecting Mayoly. GIA periodically reassesses the plan and documents any significant modifications.

The audit plan is reviewed and approved in accordance with the Charter.

7. AUDIT ENGAGEMENT PREPARATION

GIA informs the management of the structure concerned on the upcoming audit engagement, in advance, at least six weeks prior to fieldwork. This timeframe is indicative. When possible, GIA informs the Management that of an upcoming audit and approximate timeframe shortly after the audit plan approval.

After informing the management, GIA sends the Audit Announcement Letter (AAL) to announce the engagement, along with the preliminary document request. Objectives and scope announced in the AAL are subject to change.

GIA prepares the audit by gathering the information that enables them to understand the organization and the activity under review and to assess the risks relevant to the activity. The engagement risk assessment allows GIA to identify and prioritize the risks to determine the engagement objectives and scope. GIA also identifies the criteria and resources needed to perform the engagement and develop an engagement work program, which describes the specific engagement steps to be performed.

Refer to the Appendix 2 for the audit timeline.

8. AUDIT INFORMATION AND COMMUNICATION

GIA communicates with the audited Management throughout the engagement.

GIA communicates the objectives, scope, and timing of the engagement to management. GIA may change the audit scope, objectives and timing, based on the engagement risk assessment and fieldwork outcomes. GIA timely informs the Management on such changes when they occur.

Management provides GIA with complete, accurate, and timely information necessary for the execution of audit engagements. This includes unrestricted access to records, systems, and personnel, as well as full transparency regarding any issues or limitations related to the information provided.

9. AUDIT FIELDWORK

To implement the engagement work program, GIA gathers information and perform analyses and evaluations to produce evidence. These steps enable GIA to:
- Provide assurance and identify potential findings;

- Determine the causes, effects, and significance of the findings;
- Develop recommendations, and collaborate with management to develop action plans;
- Develop conclusions.

10. AUDIT REPORTING

After the audit fieldwork, the auditor presents their preliminary conclusions to the audited structure management during a closing meeting. The management may provide clarifications and comments. Possible corrective actions may be discussed during this meeting. This discussion is followed by the submission of a draft report to the audited structure manager.

GIA includes a list of audit findings and recommendations with the draft audit report. The audited structure manager completes the report by describing the actions to be taken for each recommendation, with owner and deadlines for completion and may record additional specific comments. The audited structure manager sends the action plans to GIA after the issuance of the draft report.

The final report contains an executive summary and details that provide a description of noted control weaknesses, together with recommendations made by GIA and the related management comments. The report is confidential and is sent to a limited distribution list of people, including the audited structure manager and relevant members of senior management and the Board. The audited structure manager then ensures that the actions are implemented as agreed.

Refer to the Appendix 3 for the audit rating guidance.

11. IMPLEMENTATION OF AUDIT RECOMMENDATIONS

Management is responsible for implementing corrective actions based on the audit recommendations issued by GIA. These actions must address the identified risks in a timely and effective manner.

Management must submit the finalized action plans to GIA within the agreed timeframe after the issuance of the draft audit report. Management is accountable for the timely and effective implementation of these actions.

GIA regularly monitors the progress of action plans by tracking the status of all action plans and conducting follow-up communications with Management to ensure progress is on track. GIA verifies evidence of completed actions to confirm that the identified risks have been mitigated.

GIA regularly presents the status of the action plans to the Senior Management and the Board.

12. COORDINATION WITH ASSURANCE PROVIDERS

The Head of Internal Audit coordinates with internal and external providers of assurance services and considers relying upon their work. Coordination of services minimizes duplication of efforts, highlights gaps in coverage of key risks, and enhances the overall value added by providers.

13. DATA CONFIDENTIALITY AND PROTECTION

GIA acknowledges the confidential nature of information accessed during its duties. GIA is committed to maintaining the utmost confidentiality in storing, handling and disposing of all confidential information.

Any processing of personal data during audits must comply with data protection laws and relevant internal policies.

14. REFERENCES

This global policy refers to the Charter and other applicable policies and procedures.

| References	Section
Group Internal Audit Charter	In progress

15. DOCUMENT INFORMATION

This document is current as of 01/01/2025, and any subsequent updates will be appropriately documented and communicated to relevant stakeholders.

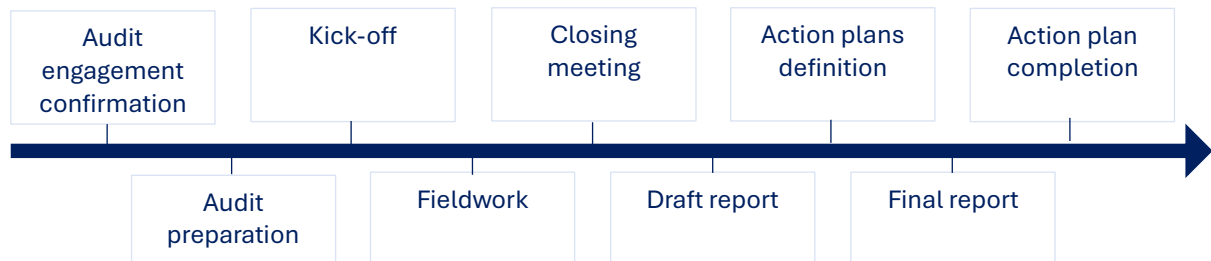| Version	Section	Change	Valid from
1.0		Initial version	01/01/2025

APPENDIX 1 - THREE LINES MODEL

The below scheme supports GIA Policy by representing GIA position in the Group, based on the Three Lines Model position paper by the Institute of Internal Auditors, 2024.
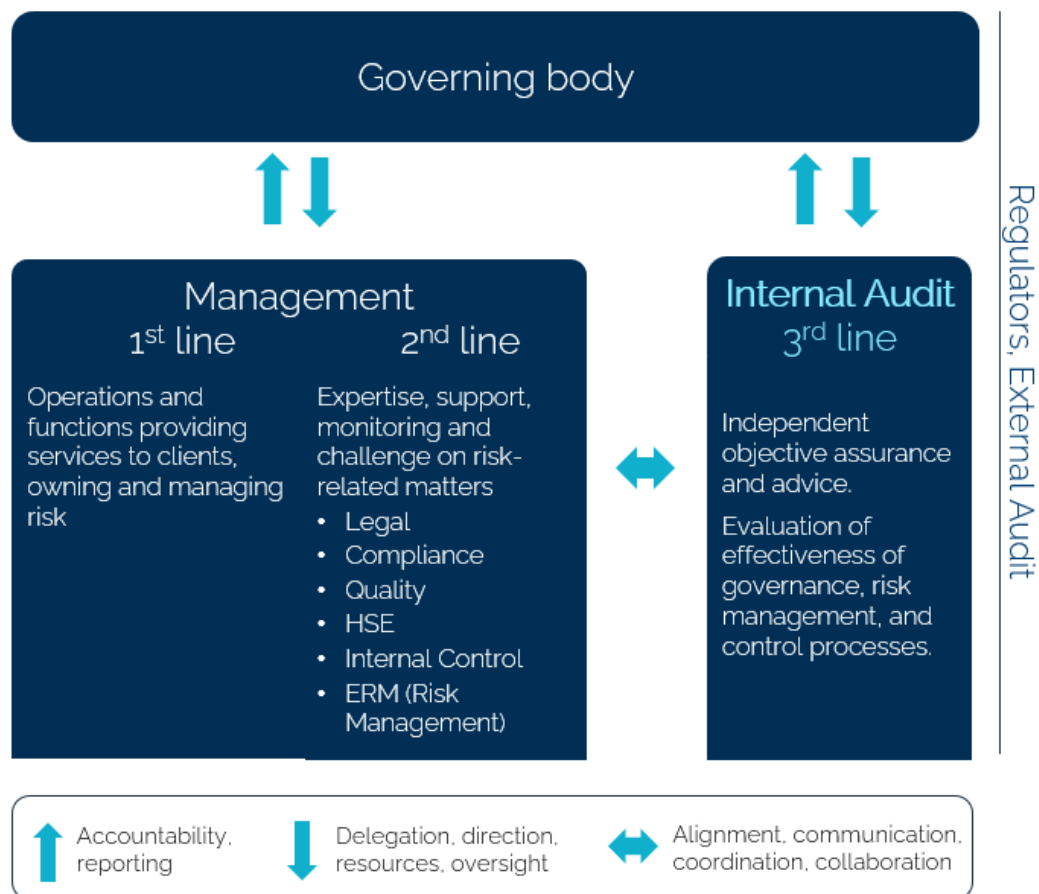
APPENDIX 2 - AUDIT TIMELINE

- **Audit engagement confirmation:** GIA sends the Audit Announcement Letter (AAL) and formally confirms the audit engagement with management, defining the scope, objectives, and key stakeholders involved.

- **Audit preparation:** This phase includes gathering preliminary information, conducting initial interviews, reviewing documentation, and defining the audit approach and initial scope. GIA prepares and sends the engagement letter to the auditee.

- **Kick-off:** Initial meeting to launch the audit engagement.

- **Fieldwork:** The phase of interviews and testing. Often, GIA travels to meet with the auditees. This phase may extend beyond the on-site visit depending on the time required to obtain necessary documents.

- **Closing meeting:** A debrief session where GIA presents the preliminary audit conclusions, and the auditees provide feedback and discuss the next steps and possible corrective actions.

- **Draft report:** GIA shares the preliminary detailed report with the auditees, who review its content and provide feedback.

- **Action plan definition:** Auditees define and document action plans in response to the audit recommendations, including assigned responsibilities and implementation deadlines.

- **Final report:** At the end of the discussion phase, if no further issues remain and all action plans have been documented, the final audit report is issued.

- **Action plan completion:** Management implements the agreed corrective actions. GIA monitors progress and verifies the completion of actions to ensure that the identified risks have been mitigated.

APPENDIX 3 - FINDINGS PRIORITY RATING CRITERIA

Audit findings are rated based on the following criteria:

Rating	Rational
High	A major control weakness exists, with no adequate or sufficient measures or controls in place to mitigate the risk. The objectives of the process are unlikely to be achieved. Immediate management attention is required to address the weakness.
Medium	Control weakness exists. Objectives of the process may not be achieved. Further enhancements or additional measures or controls should be implemented.
Observation	Risk exposure is limited through adequate measures and controls. Objectives of the process are likely to be achieved. Further enhancements or additional measures or controls could be implemented.