INTERNAL AUDIT CHARTER

Approved by the Audit Committee on September 23, 2026

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Purpose & Mandate

The purpose of the internal audit function is to strengthen the University of Windsor's ("University") ability to create, protect, and sustain value by providing the Audit Committee and Management with independent, risk-based, and objective assurance, advice, insight and foresight that adds value and improves operations. Internal Audit helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving governance, risk management, and control processes.

The internal audit function is independently positioned with direct accountability to the Audit Committee of the Board of Governors. The University's Audit Committee grants the internal audit function the mandate to provide the Audit Committee and senior administration with objective assurance.

Authority

The internal audit function's authority is created by its direct reporting relationship to the Audit Committee. Such authority allows for unrestricted access to the Audit Committee.

The Audit Committee authorizes the internal audit function to:

- Have full, free and unrestricted access to all University records, information, systems, property, and personnel necessary to perform its responsibilities.
- Obtain necessary assistance from University personnel and request specialized services from within or outside the University.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques and issue communications required to meet its mandate.

Organizational Independence and Reporting Relationship

To establish independence, the University Internal Auditor reports functionally to the Chair of the Audit Committee for matters of policy, purpose, responsibility and authority and administratively to the Vice President, Finance & Operations.

The Audit Committee approves:

- The Internal Audit Charter
- The annual risk-based Internal Audit Plan
- The Internal Audit budget and resource plan

The University Internal Auditor has the right to private and in-camera meetings with the Audit Committee. Internal Auditors shall remain free from interference in determining audit scope, performing work, and communicating results.

Scope of Activities

The scope of internal audit services covers the entire breadth of the institution, including the auditable entities as defined in the audit universe. The scope of internal audit activities also encompasses but is not limited to objective

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examinations of evidence to provide independent assurance and advisory services to the Audit Committee and management on the adequacy and effectiveness of governance, risk management and control processes for the University.

Internal Audit will perform the following specific activities:

- **Audits**
  Risk based audits of entities identified in the audit universe and included in the annual audit plan. Audits will be conducted by the University Internal Auditor, with assistance by a co-sourced third party, where specialized knowledge is required.
- **Special Requests**
  Projects which provide value added consulting support/advice and recommendations for designing, implementing and enhancing internal controls at the specific request of Management.
- **Fraud Risk Assessment**
  Assessment of emerging fraud risks in consultation with the Fraud Risk Management Committee for the purpose of updating the University's annual fraud risk assessment.
- **Investigations**
  Investigation services for whistleblower allegations as assigned by the Whistleblower Operational Committee.
- **Professional Development and Training**
  Professional development to stay abreast of the current standards, emerging issues and best practices related to the field of internal auditing in a university environment.

Additional responsibilities include:

- Identifying and evaluating significant exposures to risk and ensuring the risk is mitigated to a level that is acceptable to the University.
- Promoting ethics and values within the University.
- Performing and reporting on follow up activities for high and medium priority observations from prior audits.
- Coordinating with third parties for co-source internal audit activities.
- Reviewing and reporting on the University's continuous monitoring program.
- Managing the whistleblower/safe disclosure program.

Risk-Based Audit Planning

Internal Audit will develop an annual risk-based audit plan aligned with the University's key priorities and risk profile. The plan will be developed in consultation with Senior Administration and presented to the Audit Committee for approval. The University Internal Auditor will review and adjust the plan as necessary and communicate to the Audit Committee significant changes to the plan arising from emerging risks, resource changes, or other urgent issues.

Professional Standards and Ethics

Internal Audit will adhere to the IIA Global Internal Audit Standards (2025), the IIA Code of Ethics, applicable laws, regulations, and professional requirements. Internal auditors shall demonstrate integrity, objectivity, competency, confidentiality, and due professional care.

Quality Assurance and Improvement Program

Internal Audit will ensure ongoing performance monitoring is conducted and will engage a third party for external quality assessment at least once every five years. Results of external quality assessments will be reported to senior management and the Audit Committee.

Communication and Reporting

Internal Audit will communicate results of engagements to the appropriate levels of management. Management will be responsible for timely corrective action. Internal Audit will monitor and report on the status of agreed upon action plans.

Internal Audit will provide written audit reports, progress updates, follow up reports, and summary reports to the Audit Committee.

Internal Audit will report to the Audit Committee and Senior Administration regarding:

- Potential impairments to independence.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Audit Committee.
- Management responses to risk that Internal Audit believes may not be adequately mitigated, or where management has chosen to accept a level of risk that may warrant awareness or oversight by the Audit Committee.

Coordination with Other Assurance Providers

Internal Audit will coordinate activities with internal and external assurance providers, including external audit, risk management, and other oversight functions, to minimize duplication and optimize assurance coverage.

Charter Review and Approval

This Charter shall be reviewed at least annually by the University Internal Auditor and the Audit Committee and updated as required to reflect changes in professional standards, regulatory requirements, or the University's governance structure.

Approved by:
Audit Committee
Date: September 23, 2026

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