

The remuneration and benefits of the Directors for the year ended 30 June 2022 are set out in the table below:

| Directors           | Remuneration and benefits received from the Company |            |
|---------------------|---|------------|
|                     | 2022 (MUR)  | 2021 (MUR) |
| Arnaud Lagesse*     | 860 000   | 350 000    |
| Jean-Claude Béga*   | 685 000   | 445 000    |
| Jan Boullé*         | 715 000   | 455 000    |
| François Dalais     | 510 000   | 370 000    |
| Guillaume Hugnin    | 660 000   | 420 000    |
| Hugues Lagesse      | 540 000   | 370 000    |
| Thierry Lagesse     | 420 000   | 370 000    |
| Sylvia Maigrot      | 705 000   | 445 000    |
| Catherine McIlraith | 135 000   | N/A        |
| Yvan Mainix-Chirio  | 205 000   | 310 000    |
| Reshan Rambocus     | 700 000   | 470 000    |
| Patrick Rivalland** | N/A   | N/A        |
| Bernard Theys**     | N/A   | N/A        |

\* The emoluments of Arnaud Lagesse, Jean-Claude Béga and Jan Boullé were paid to IBL Ltd.

\*\* Bernard Theys and Patrick Rivalland are employed and remunerated by PMC, a sister company of PhoenixBev. Management fees paid by PhoenixBev to PMC include the salaries of the two Executive Directors.

The change in fees payable to Directors from year 2021 to year 2022 is explained by the following factors:

- Review of fees structure as detailed above and approved by shareholders at Annual Meeting 2021
- There were nine meetings of the Board during the year under review instead of the usual yearly four or five meetings.

The Directors of PhoenixBev did not receive any remuneration and benefits either from the Company's subsidiaries or from companies on which the Directors serve as representatives of the Company.

Please refer to the Statutory Disclosures of the Annual Report.

## Incentive schemes

A performance management policy is in place to drive the performance and personal development of PhoenixBev executives and team members, and includes annual objectives, competencies and development plans. Discretionary bonuses are paid if these targets are achieved. The outcome of the performance management process is also used for succession planning.

Short-term incentive schemes for Executive Directors are overseen by the board of PMC.

## Board evaluation

Following a decision of the Board and pursuant to its Charter, it was agreed that an evaluation exercise of the Board and its Directors would be carried out as and when deemed necessary. It was decided in 2020 that, following the previous exercise conducted by BDO & CO, the next evaluation would be led by the Company Secretary. Accordingly, the evaluation was launched in mid-2021 using a self-assessment questionnaire. The questionnaire sought the views of all Directors through a set of survey questions, including some open statements and covering several main themes.

The questionnaire was reviewed by the Corporate Governance Committee to ensure it was updated with best governance practices.

All Directors completed the questionnaire and the results have been duly collated, analysed and presented to the Corporate Governance Committee held in September 2022 and then to all the Directors for consideration and action during the Board held in September 2022.

The survey results showed constructive remarks from Directors. Areas are focus have been identified for improvement.

Management, under the supervision of the Corporate Governance Committee, is ensuring that appropriate actions are being taken and that issues identified are given due consideration.

The Board will assess when the next evaluation exercise should be conducted and whether this will be led by an independent service provider.

## PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

### Risk management

The Directors are responsible for maintaining an effective system of risk management. While the Audit and Risk Committee oversees risk governance, the nature of risk and risk appetite of PhoenixBev remain the ultimate responsibility of the Board.

The responsibilities of the Board in this respect include, among others:

- Ensuring that structures and processes are in place to manage risks
- Identifying the principal risks, uncertainties and opportunities
- Ensuring that management has developed and implemented the relevant internal control framework
- Ensuring that systems and processes are in place to implement, maintain and monitor internal controls
- Identifying any deficiencies in the system of internal control

Risk management is an integral part of doing business at PhoenixBev. It is the responsibility of the CEO and his dedicated team, under the supervision of the Audit and Risk Committee, to establish and maintain a risk management system.

The CEO, in collaboration with his risk management team, identifies potential risks to the Company's business and conducts a rating of the identified risks with respect to both probability of occurrence and severity of impact. Strategies and action plans are established and implemented to manage and mitigate the identified risks.

An annual review process reassesses the evolving probability and severity of the identified risks as well as of new risks emerging. The effectiveness of implemented mitigating actions is also assessed.

The Risk Report, which is an annexure to this Corporate Governance Report, details the main risk areas identified, potential impacts and mitigating controls put in place accordingly.

### Financial risk management

For financial risk management, please refer to note 3 – Notes to the financial statements.

### Internal control

PhoenixBev has processes in place to identify, classify and manage significant risks. The effectiveness of the internal control systems is reviewed by the Audit and Risk Committee and provides the Board with reasonable assurance that assets are safeguarded, operations are run effectively and efficiently, financial controls are reliable, and that applicable laws and regulations are complied with.

The Board is responsible for the Group's system of internal controls and for reviewing its effectiveness.

A firm of accountants, namely BDO & CO, provide internal audit services to ensure the adequacy and effectiveness of the internal control framework. Nothing has come to the Board's attention to indicate any material breakdown in the functioning of the Company's internal controls and systems during the period under review that could have a material impact on the business.