

To date, no material financial issues, which would have an impact on the results as reported in these financial statements, have been identified. The Board confirms that if significant weaknesses had been identified during this review, the Board would have taken the necessary steps to remedy them.

## PRINCIPLE 6: REPORTING WITH INTEGRITY

The Board assumes responsibility for leading and controlling the Company and for meeting all legal and regulatory requirements.

The Directors are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

Other main responsibilities of the Board include assessing management's performance against corporate objectives, overseeing the implementation and upholding of good corporate governance practices, acting as the central coordination body that monitors and reports on the sustainability performance of the Group and ensuring timely and comprehensive communication to all stakeholders regarding events significant to the Company.

The Directors are responsible for preparing the Annual Report including the Corporate Governance Report and financial statements of the Group and the Company in accordance with applicable laws and regulations. Company law requires the Directors to prepare the financial statements in accordance with International Financial Standards ("IFRS") and the Mauritius Companies Act 2001 for each financial year.

In preparing the financial statements, the Directors report that:

- adequate accounting records and an effective system of internal controls and risk management have been maintained
- appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently
- International Financial Reporting Standards have been adhered to and any departure of interest in fair presentation has been disclosed, explained and quantified
- the Code of Corporate Governance has been adhered to in all material aspects
- the financial statements fairly present the state of affairs of the Company and the Group as at the end of the financial year and the results of the operations and cash flows for that period
- the financial statements have been prepared on the going concern basis

The Board confirms that it is satisfied that PhoenixBev has adequate resources to continue in business for the foreseeable future. For this reason, it continues to adopt the going concern basis when preparing the financial statements.

## PRINCIPLE 7: AUDIT

### Internal audit

The Audit and Risk Committee oversees the internal audit function. The Committee is responsible for the mission and scope, accountability, independence, responsibilities and authority of internal audit.

The mission of internal audit is to:

- Ensure the adequacy and effectiveness of the internal control framework
- Help to improve the processes by which risks are identified and managed
- Assist in the strengthening of the Group's internal control framework.

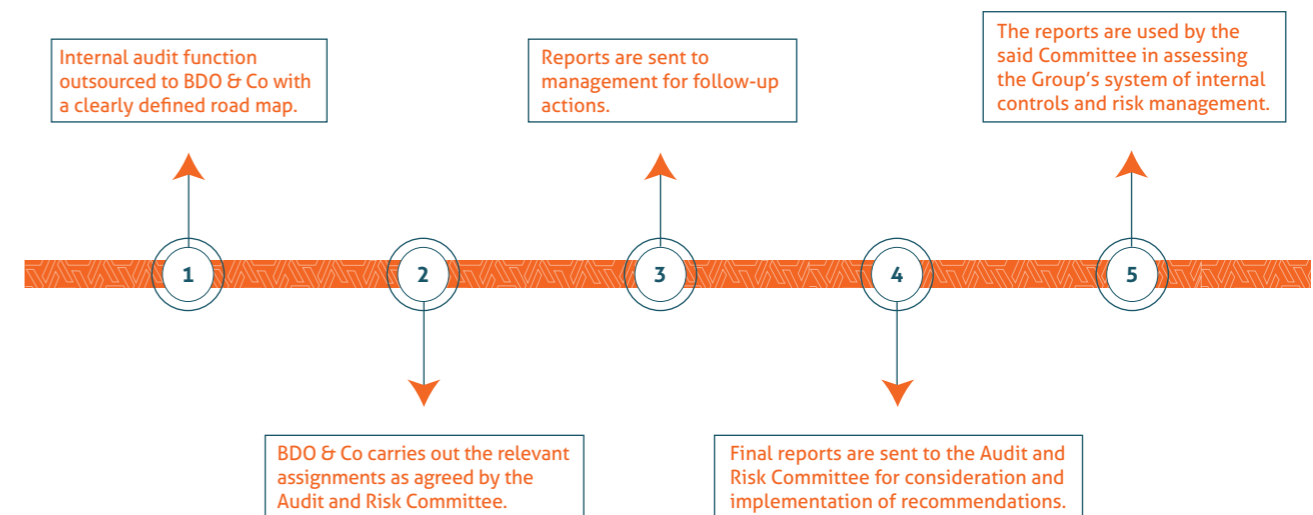
The Group's internal audit function is currently outsourced to BDO & CO, who provides independent and objective assurance and consultancy services. BDO & CO employs a systematic and disciplined approach with a view to evaluate and improve governance and risk management processes including reliability of information, compliance with laws, regulations and procedures, as well as efficient and effective use of resources. The methodology applied is in accordance with the standards of the Institute of Internal Auditors and other relevant governing bodies.

Internal auditors work according to an audit plan agreed with the Audit and Risk Committee. In addition, special reviews and assignments are also performed at the request of management or of the Audit and Risk Committee, as required.

The internal auditors provide regular reports on the areas audited and the completion status of corrective action plans. These reports are also shared with external auditors.

The internal auditors have full, free and unrestricted access to the Audit and Risk Committee and to all functions, records, property and personnel of the Group.

### Internal audit process



The various internal audit exercises carried out by BDO & CO during the year have been detailed in the section "Audit and Risk Committee – Matters considered in 2021-2022" of this report.

### External audit

The Board has decided to rotate its auditors as from the financial year ended 30 June 2022 from Ernst & Young to Deloitte.

The shareholders approved the appointment of Deloitte as external auditors for the year under review during the Annual Meeting held on 31 December 2021.

Our Subsidiaries in Réunion Island, Edena S.A and Phoenix Réunion SARL are audited by EXCO Bertrand & Associés and Espace Solution Réunion S.A.S by EXA.

The Audit and Risk Committee is responsible for reviewing the terms, nature and audit scope and approach, and ensure no unjustified restrictions or limitations have been placed on the scope.

The external auditors have full, free and unrestricted access to the Audit and Risk Committee should they wish to discuss any matters privately and to all functions, records, property and personnel of the Group.