

A summary of the 2022 programme is as follows:

Internal audit programme	Summary of findings
Whistleblowing & Code of Conduct	<ul style="list-style-type: none"> • Sound framework is in place including relevant policies regarding Whistleblowing, Conflicts of Interest, Financial Crime and Gifts and Entertainment • Improvement opportunities, include: <ul style="list-style-type: none"> – strengthening the 'tone from the top' messaging; – enhancing some of the detail within the Whistleblowing policy; and – further development of training, awareness raising, reporting and lessons learned.
Tax risk	<ul style="list-style-type: none"> • Creation of a tax risk register has helped drive more effective and transparent tax risk controls across the business • Improvement opportunities, include: <ul style="list-style-type: none"> – further development of the tax risk process by enhancing process and role documentation, and increasing the formality around key elements – further formalisation of the tax risk governance arrangements.
ESG	<ul style="list-style-type: none"> • A sound ESG strategy and plan is in place to embed the key objectives in the business, with KPIs which are well-aligned to the UN's Sustainability Development Goals • Improvement opportunities, include: <ul style="list-style-type: none"> – further development of the framework, systems, controls, processes and data governance to enhance the KPI reporting – refinement of objectives/goals and KPI improvement targets in-line with sector best practice.

The Committee also formally reviews the Group's progress in implementing the improvement recommendations raised through the internal audit process in conjunction with the Executive Committee members, and overall progress remains satisfactory.

Whistleblowing, bribery and business ethics

The Group is committed to the highest standards of openness, honesty, integrity and accountability.

The Group has a Whistleblowing Policy, which was updated and relaunched last year, with a focus on improving awareness and understanding.

This policy makes employees and third parties aware that they should report any serious concerns or suspicions about any wrongdoing or malpractice on the part of any employee of the Group, without fear of criticism, discrimination or reprisal, as well as the procedure for raising such concerns. Examples include fraud, breakdown in internal controls, misleading customers, bribery, modern slavery, dishonesty, corruption and breaches of data protection or health and safety.

During the year, there were no reports received through the whistleblowing process (2021: 5), and therefore no significant trends were identified.

The Committee also takes responsibility for reviewing the policies and procedures adopted by the Group to prevent bribery. The Group is committed to a zero-tolerance position with regard to bribery. The Committee is satisfied that the Group's procedures with respect to these matters are adequate.

The Group also maintains a suite of other policies which support our commitment to strong business ethics and for which we take a strict approach to non-compliance. This includes policies related to:

- Financial crime;
- Conflicts of interest;
- Gifts and hospitality; and
- Share dealing.

In accordance with the obligations under the Reporting on Payment Practices and Performance Regulations 2017, the Company has submitted its bi-annual reports in line with the legislation during the year.

The Group's Modern Slavery Statement, which sets out details of the policies in relation to slavery and human trafficking, as well as its due diligence processes with its partners, has been published on the Group's website (www.eurocell.co.uk).

The Group has also updated its Tax Strategy Statement, again published on our website, in compliance with the Finance Act 2016, which sets out details of the Group's attitude to tax planning and tax risk.

External audit and auditors' independence

The Audit and Risk Committee has primary responsibility for making a recommendation to the Board on the appointment, reappointment, removal and remuneration of the external auditors. It keeps under review the scope and results of the audit, its cost-effectiveness and the independence and objectivity of the auditors.

The external auditors are required periodically to assess whether, in their professional opinion, they are independent and those views are shared with the Audit and Risk Committee.

The Committee has authority to take independent advice as it deems appropriate in order to resolve issues on auditor independence. No such advice has been required to date. There are no contractual obligations in place that restrict the choice of statutory auditors.

The Group's current auditors, PricewaterhouseCoopers LLP were appointed at the Audit and Risk Committee meeting on 29 April 2015, following the Company's IPO in March 2015. As a result, PricewaterhouseCoopers LLP may remain as external auditors without re-tender for ten years from that date, until the completion of the 2024 annual audit. The Committee considers the need to tender the audit on an annual basis and a detailed review will be undertaken, in due course, in light of the approaching deadline noted above.