

EXTERNAL AUDITORS AND NON-AUDIT SERVICES

1. Selection of external auditors

If there is a vacancy for the position of external auditor or the Company wishes to change its external auditor, the Company, through the Board, will conduct a formal process, either general or selective, to select which audit firm will fill the vacancy.

Audit firms are evaluated in accordance with criteria, as appropriate from time to time, and are not assessed solely on the basis of who is cheapest, but on a number of issues such as:

- (a) skills and knowledge of the team proposed to do the work;
- (b) quality of work;
- (c) independence of the audit firm;
- (d) lead signing partner and independent review partner rotation and succession planning policy;
- (e) value for money; and
- (f) ethical behaviour, fair dealing and reputation.

2. Appointment of external auditors

The Board identifies and recommends an appropriate external audit partner for appointment by the Board and/or the Company in general meeting. The appointment is made in writing.

3. Rotation of external audit partners

The external auditor is required to rotate its audit partners so that no partner of the external auditor is in a position of responsibility in relation to the Company's accounts for a period of more than **five** consecutive years.

Once an audit partner is rotated off the Company's accounts, the audit partner may not assume any responsibility in relation to the Company's accounts for a period of at least **three** consecutive years.

This requires succession planning on the part of the external auditor, a process in which the Company is involved.

4. Non-audit services

4.1 Definition

Non-Audit Services means any services provided by the external auditor which are not included in, or are not necessarily incidental to, the terms of the audit engagement.



4.2 Prohibited Non-Audit Services

As a general rule, the external auditor may not provide the following prohibited services:

- (a) providing appraisal, valuation and fairness opinions;
- (b) performing internal audit services;
- (c) providing advice on deal structuring and related documentation;
- (d) providing tax planning and strategic advice;
- (e) providing IT systems services;
- (f) providing design or implementation services for financial information systems including internal controls over financial reporting and accounting records
- (g) performing senior management, executive or director recruitment or extensive human resources functions;
- (h) acting as a broker dealer, promoter or underwriter; or
- (i) providing legal services including litigation support.

However, even if a non-audit service is not listed above, it will still be prohibited if it creates a real or perceived threat to the independence of the external auditor.

4.3 Approval of Non-Audit Services by External Auditor

The Chief Financial Officer (**CFO**) must obtain the prior written approval of the Board before the external auditor can be engaged to perform non audit services where:

- (a) the fee for the particular engagement exceeds \$15,000; or
- (b) the annual fees for all non-audit services will exceed, or are likely to exceed, 30% of the auditor's annual audit fees.

4.4 Factors in Considering Non-Audit Services by External Auditor

In assessing a request for non-audit services, the CFO or Board is required to give consideration to:

- (a) the nature of the service provided;
- (b) the dollar value and period of engagement;
- (c) the availability of alternate service providers and the reasoning for recommending the external auditor;
- (d) the audit firm's self-assessment of its independence risk, including safeguards to mitigate perceived risks; and
- (e) any other circumstances relevant to the engagement.



4.5 Monitoring and reporting

The CFO must report to the Board on a half year and full year basis regarding:

- (a) all non-audit services provided by the auditor; and
- (b) the amounts paid to the external auditor for those services.

In accordance with section 300 (11D) of the Corporations Act, on an annual basis, the Board needs to be satisfied that the provision of non-audit services during the year by the auditor is compatible with the general standard of auditor independence.

5. Review

This policy shall be reviewed annually by the Board to ensure that it is operating effectively and ascertain whether changes are required to the code.

6. Document Control

Version Number	Revision Date	Document Owner	Document Approver
Version 2.1	23 July 2024	Company Secretary	Board of Directors