

# NON-AUDIT SERVICES POLICY

## 1. Policy Statement

The law requires that Elders external auditor is independent of Elders.

The performance of certain non-audit services by Elders' external auditor without appropriate safeguards in place can, in some circumstances, compromise the independence of the auditor.

This policy explains the circumstances under which Elders' external auditor may perform non-audit related services and how to obtain approval for those services.

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## 2. Policy Objectives

This policy aims to ensure the Board, Board Audit, Risk and Compliance Committee and Elders shareholders can be satisfied that the external auditor is, and is seen to be, independent at all times.

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## 3. Policy Scope

This policy applies to:

- Elders and each of its subsidiaries (the **Company**)
  - The Company's external auditor (the **Auditor**)
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## 4. Definitions

**Non-Audit Services** means services other than those that are necessary for the Auditor to carry out the Company's statutory audits.

**Audit-Related Services** means services that are related to and complementary to an audit.

A **Conflict of Interest Situation** exists when:

- a) the Auditor, or a professional member of the audit team, is not capable of exercising objective and impartial judgement in relation to the conduct of the audit; or
- b) a reasonable person, with full knowledge of all relevant facts and circumstances, would conclude that the Auditor, or a professional member of the audit team, is not capable of exercising objective and impartial judgement in relation to the conduct of the audit.

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## 5. Policy Content

### 5.1. Conflicts of Interest and Auditor Independence

The Auditor must not place itself in a Conflict of Interest Situation. Engagement of the Auditor to provide Non-Audit Services can compromise the independence of the Auditor by placing it in a Conflict of Interest Situation.

### 5.2. Obtaining Approval for Non-Audit Services and Audit-Related Services

Engagement of the Auditor to provide Non-Audit Services and Audit-Related Services, including any unpaid services, requires prior approval by the Chief Financial Officer of Elders (**CFO**) or the Board Audit, Risk and Compliance Committee (**BARCC**).

All proposals to engage the Auditor for Non-Audit Services must be submitted, in writing, to the CFO. The Chair of the BARCC must also be advised at the time approval is requested, irrespective of value. Each proposal should consider how the non-audit services impact the actual, potential and perceived independence of the Auditor and outline any mitigations, if necessary.

The CFO may approve Non-Audit Services fees up to a maximum of \$50,000.

BARCC approval is required for Non-Audit Services fees totaling more than \$50,000.

The CFO and BARCC must consider the actual, potential and perceived impact of the engagement on the independence of the Auditor.

The CFO must also seek BARCC approval for any engagement of the Auditor for Non-Audit Services if:

- the services are of the type/s listed in Section 5.4; or
- the CFO determines BARCC consideration is warranted.

If a circumstance arises where the total annual fees for Non-Audit Services exceed, or are likely to exceed, 100% of the total annual Audit Services fees, Board approval (following a recommendation from the BARCC) must be obtained before the Auditor can be engaged.

### 5.3. Reporting of Non-Audit Services and Audit-Related Services

Auditor independence is an agenda item at each BARCC meeting prior to the approval of Half Year and Full Year audited financial statements.

After the close of each half and full year financial period, and prior to the release of the financial results for that period, the Auditor must submit to the BARCC a summary of all Non-Audit Services and Audit-Related Services provided by it for the relevant financial period describing:

- (a) the services provided; and
- (b) the amounts charged for those services;

to enable the BARCC to make a recommendation to the Board regarding the Auditor's independence.

#### **5.4. Non-Audit Services that are Generally Not Acceptable**

Engagement of the Auditor to perform any of the following services requires approval by the BARCC:

- Internal accounting or other internal financial services
  - Valuation services
  - Actuarial services
  - Executive or "management" roles and functions
  - Other financial services
  - Design, development or implementation of financial information or internal control systems.
  - Internal audit services.
  - Personal tax services for any Elders employee:
    - Who is a member of the Elders Executive Committee; or
    - Whose role includes the preparation of financial statements or financial information which may be subject to half-year review or full-year audit by the Auditor,
  - Any service that might result in the Auditor auditing their own work
  - Any other service determined by the BARCC or Board.
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## 6. Review

The BARCC will review this policy every second year or as otherwise considered appropriate by the BARCC.

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## 7. Associated/Related Policies and Procedures

Associated Policies:

- Elders Code of Conduct.
- Delegation of Authority

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## 8. Document Controls

<b>Distribution</b>	All Elders entities and the External Auditor
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## 9. Document History

A list of all the revisions and dates of these for each policy. Helpful for context to understand how the policy has changed over time and for context.

Version	Date	Description of version & changes	Changes prepared by	Changes reviewed by	Approval	Date
1.0	June 2020	Draft version for approval	Shannon Doecke	Peter Hastings	Board	17 June 2020
1.1	May 2022	Scheduled 2-year review	Shannon Doecke	Peter Hastings	BARCC & Board	7 Nov 22 & 11 Nov 22