Non-Audit Services Policy

Alpha HPA Limited

1. BACKGROUND AND PURPOSE

The external auditor of Alpha HPA Limited (Alpha HPA) is subject to strict independence requirements to preserve and ensure the integrity of the audit engagement.

The purpose of the Non-Audit Services Policy is to preserve the external auditor independence and define those areas the Audit and Committee (Committee) should consider in relation to the provision of non-audit services by the external auditor to Alpha HPA, its related bodies and its subsidiaries.

This policy sets out the requirements and procedures which must be followed for Alpha HPA to engage the external auditor to provide services that are outside of the audit engagement. This should be read in conjunction with the Audit Committee Charter, which outlines the responsibilities of the Committee in relation to the provision of services by the external auditor, as well as the Non-Audit Services Guide, which provides guidance on the type of non-audit services that are considered prohibited.

2. APPLICATION

This Policy is applicable to all executive and non-executive directors, officers, employees, consultants, contractors and agents of Alpha HPA, its related bodies and its subsidiaries.

3. OBJECTIVES AND DEFINITIONS

Alpha HPA is committed to responsible corporate governance, including conducting its activities lawfully and with integrity. To maintain the highest standard of corporate governance in relation to auditor independence, this policy outlines whether non-audit related services may be provided by the external auditor without impacting their independence in relation to the statutory audits.

Australia's auditor independence requirements are set out in the applicable independence regulations. These independence regulations include APES 110 Code of Ethics for Professional Accountants (including independence Standards), the *Corporations Act 2001* (Cth) (Corporations Act) and the Australian Auditing Standards, all of which are legally enforceable.

The independence regulations set out the requirements for the external auditor to conclude that they are independent. Alpha HPA and the external auditor must not only be mindful of actual conflicts of interests or threats to independence but also perceived conflicts of interest and threats to independence.

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

4. PROHIBITED NON-AUDIT SERVICES

Prohibited non-audit services are services that, if provided by the external auditor to Alpha HPA, its related bodies or its subsidiaries would create a real or perceived threat to the independence of the external auditor.

All non-audit services are prohibited unless approval has been provided for the engagement by the Committee prior to its commencement.

5. APPROVAL PROCESS

Unless otherwise determined and approved by the Committee, the external auditor is prohibited from providing any non-audit services to Alpha HPA, its related bodies or its subsidiaries.

For non-audit services, approval must be obtained prior to the commencement of the engagement. Where there has been a scope change to an approved non-audit service engagement, the additional scope / change of scope is required to be submitted for approval prior to being enacted.

The approval process for Alpha HPA is as follows:

- Non-audit service engagements by the external auditor are to be submitted to the Committee for approval in writing, have endorsement and recommendation from management, and will be considered for approval by the Committee at the Committee meeting.

- If a more immediate decision is required, then the Chair of the Committee may approve the commencement of the non-audit service which is to be ratified at the next Committee meeting.

In determining whether to approve the provision of non-audit services by the external auditor, the Committee shall consider:

- Whether the skills, experience and resources of the external audit firm are sufficient for the engagement;

- Whether the non-audit services requiring approval will risk compromising the objectivity and independence of the audit engagement;

- The external auditor's self-assessment of its independence risk, including safeguards to mitigate any perceived threats to its independence;

- The availability of alternate service providers and the reasoning for recommending the external auditor, including the specific expertise, knowhow or knowledge that provides a compelling benefit to Alpha HPA;

- Whether the fee level for the engagement in question is significant in relation to the audit fee or if it contains a significant "success component"; and

- Any other circumstances relevant to the engagement.

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6. RESPONSIBILITIES

The Committee is responsible for establishing this policy. The Committee is also responsible for reviewing any proposal for the external auditor to provide non-audit services and to consider whether it might compromise the independence of the external auditor.

The Chief Financial Officer (CFO) is responsible for monitoring each engagement by the external auditor, including any approved non-audit service engagements. The CFO is also responsible for ensuring that the external auditor receives a copy of this policy.

The Alpha HPA employee engaging directly with the external auditor for non-audit services is responsible for submitting the proposed engagement for approval and ensuring that the work has not commenced until approval has been provided.

7. REPORTING AND MONITORING

The CFO is responsible for monitoring each engagement by the external auditor, and is to provide reporting on services provided by the external auditor to the Committee at each Committee meeting that includes: the number of non-audit services being provided by the external auditor, the status of each of these engagements, and a cost comparison of the actual amounts paid and budgeted for the provision of non-audit services compared to the audit engagement.

The Corporations Act requires the Directors' report to include a statement as to the external auditor's independence, as well as a statement about whether the provision of non-audit services by the auditor during the financial year is compatible with the general standard of auditor independence in the Corporations Act, and whether that statement is consistent with the advice of the Committee.

The external auditor is required to report annually to the Committee, with the report including details of the non-audit services provided and an independence statement.

8. DOCUMENT CONTROL TABLE

DOCUMENT INFORMATION	
Document approver	[Insert role]
Document owner name	[Insert role]
Document version number	1.0
Document version date	Day Month Year
Document review cycle	Every two years
Next Document review date	Day Month Year
LINKED ARTEFACTS	
Linked documents	• Code of Conduct • Audit Committee Charter • Non-Audit Services Guide
Linked legislation and standards	• *Corporation Act 2001* (Cth) • APES 110 Code of Ethics for Professional Accountants • APES 110 – Prohibitions applicable to Auditors for all Audit Review Engagements • Australian Auditing Standards
Linked risks	• Reputational • Regulatory • Finance

9. REVISION HISTORY

REVISION HISTORY			
Version	**Approval date**	**Author**	**Description**
2.0	DD MONTH YEAR	NAME	Brief description of the changes
3.0			