

Allied Farmers Limited

External Audit Independence Policy

Statement of Commitment

The role of the external auditor is critical for the integrity of financial reporting of Allied Farmers and the entities over which it has control or joint control (the **Group**). The purpose of this policy is to govern the assessment and maintenance of the external auditor's independence both in fact and appearance on an ongoing basis.

Application

This policy applies to the external auditors, the Audit and Risk Committee (**ARC**), the Chief Financial Officer (**CFO**) and all Directors and employees who interact with the external auditors.

Accountabilities

The CFO is accountable for demonstrating compliance with this policy.

External Audit Independence

The external auditor will not undertake any work for the Group that compromises, or is seen to compromise, the independence and objectivity of the external audit process.

The external auditor is required to:

- Be independent of the Group;
- Comply with the provisions of all applicable laws and relevant professional guidance in respect of independence, integrity and objectivity;
- Adopt a "best practice" approach in relation to matters of financial independence and business relationships; and
- Provide confirmation of their continuing independent status with explicit reference to the commitments listed above on a six-monthly basis.

The external auditor can undertake the following activities that require the auditor to give an impartial view to the ARC:

- Statutory audit;
- Statutory returns and other required audit obligations in respect of public issuer, securities, or other regulatory documents and other associated audit or regulatory reporting; and
- Review of interim Financial Statements in accordance with the Review Standards issued by the External Reporting Board, or audit of interim Financial Statements.

The external auditor can also be used for other assurance services such as sustainability audits/reviews, and due diligence services.

Examples of non-assurance services that do not compromise the external auditor's independence include, but are not restricted to:

- Provision of services under any Group internal audit workplan;
- Tax compliance;
- Advice on management interpretation/assessment of accounting standards and accounting treatment for transactions; and

- Provision of technical and accounting training.

In general, work that impacts, or appears to impact, on the independence of the external auditor includes:

- Acting as a manager or employee by participating in activities normally undertaken by management;
- Work that is remunerated in part or in whole through contingent fees;
- Acting as an advocate; and
- The auditor being required to audit their own work.

Process for approval of services by the external auditor

The ARC will monitor and assess the independence of the external auditor on an ongoing basis.

Other assurance and non-assurance services require approval of the ARC Chair before the external audit firm is engaged. Non-assurance services not considered by this policy require approval of all ARC members.

Hiring staff from the external audit firm

The hiring by the Group of any current or former external audit partner or audit manager must first be approved by the Chair of the ARC. There are no restrictions on the hiring of other staff from the audit firm.

Rotation of Key Audit Partners

The ARC shall ensure compliance with the NZX Listing Rule 2.13.3(f) requirement that the key audit partner is changed at least every five years.

Annual or Other Statutory Meetings

Representatives of the external auditor (including at least the key audit Partner) will be available to attend each Annual Meeting to answer any questions by shareholders about the external audit and the content of the Auditor's Report.

Compliance

Allied Farmers requires the external auditor and all employees and directors of the Group to comply with this policy. Compliance with this policy will be periodically monitored by the CFO. Any known or suspected instances of non-compliance will be reported to the CFO for full investigation and appropriate disciplinary action.