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Consortium**

Policy on Non-Audit Services Provided by the Independent External Auditors

HealthCo Healthcare and Wellness REIT

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1. Introduction

- 1.1 The Audit and Risk Committee is responsible for establishing the policies to apply to HCW Funds Management Limited (**RE**) as responsible entity for HealthCo Healthcare and Wellness REIT and any entities owned, either beneficially or legally, by HealthCo Healthcare and Wellness REIT or the RE (together, the **Group or HealthCo**) regarding the independence of the Group's external auditors and ensuring compliance with those policies.
 - 1.2 The Group has adopted this Policy on Non-Audit Services Provided by the Independent External Auditors (**Policy**) to provide guidance on the engagement of external auditors to supply non-audit services.
 - 1.3 "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.
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2. Prohibited non-audit services

- 2.1 The external auditor may not provide any prohibited non-audit services to HealthCo.
 - 2.2 "Prohibited non-audit services" are services that, if provided by the external auditor to HealthCo, would create a real or perceived threat to the independence of the external auditor.
 - 2.3 As a general rule, unless the Audit and Risk Committee decides otherwise, the external auditor may not provide any prohibited non-audit services, which includes:
 - (a) providing appraisal or 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) performing executive recruitment or extensive human resources functions;
 - (g) acting as a broker dealer, promoter or underwriter; or
 - (h) providing legal services.
 - 2.4 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. The Audit and Risk Committee may determine what other services are considered to be prohibited non-audit services from time-to-time.
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3. Approval of non-audit services

- 3.1 To ensure auditor independence is maintained, the Group requires all engagements of the external auditor to provide non-audit services to be approved in writing by the Chief Financial Officer.

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- 3.2 The Chief Financial Officer must obtain the prior written approval of the Audit and Risk Committee before the external auditor can be engaged to perform non-audit services where:
- (a) the fee for the particular engagement exceeds A\$50,000; or
 - (b) the annual fees for all non-audit services exceed, or are likely to exceed, 25% of the auditor's annual audit fees.
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4. Factors to be considered when granting approval

- 4.1 In assessing a request for non-audit services, the Chief Financial Officer or Audit and Risk Committee is required to give consideration to:
- (a) the nature of the services 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.
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5. Monitoring and reporting

Chief Financial Officer

- 5.1 The Chief Financial Officer will monitor whether this policy is being complied with and periodically report to the Audit and Risk Committee as to compliance. The Chief Financial Officer must promptly report any breach of this policy to the chair of the Audit and Risk Committee.
- 5.2 The Chief Financial Officer must report to the Audit and Risk Committee on a periodic basis regarding:
- (a) any non-audit services provided by the auditor; and
 - (b) the amounts paid to the external auditor for those services.

Audit and Risk Committee

- 5.3 The Audit and Risk Committee must provide an annual report to the board of directors with respect to the non-audit services provided by the external auditor during the year. The report must include:
- (a) the amounts paid or payable to the external auditor for non-audit services provided during the year;
 - (b) a statement whether the Audit and Risk Committee is satisfied that the provision of those services during the year is compatible with the general standard of independence for auditors; and
 - (c) the reasons for the Audit and Risk Committee's opinion.

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6. Review of Policy

The Audit and Risk Committee may review this Policy from time to time to ensure that this Policy is operating effectively and whether any changes are required, and report to the Board any changes it considers should be made. This Policy may be amended by resolution of the Board.

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