

## Independence Policy for Ecovis KGA Limited

### 1. Purpose

The purpose of this Independence Policy is to outline the standards, procedures, and expectations to maintain the independence of Ecovis KGA Ltd, its directors and its employees (hereafter referred to as "the Firm").

This policy ensures compliance with the independence requirements of **Chartered Accountants Australia and New Zealand ("CAANZ")**, **New Zealand Institute of Chartered Accountants ("NZICA")**, **International Federation of Accountants ("IFAC")**, and the **Financial Markets Authority ("FMA")**, as well as relevant New Zealand laws and regulations.

### 2. Scope

This policy applies to all personnel within the Firm, including directors, employees, contractors, and any individuals who provide services on behalf of the Firm. It covers both external audit and non-audit services provided to clients, as well as internal procedures to identify and manage potential conflicts of interest.

### 3. Independence Definition

Independence linked to the fundamental principles of objectivity and integrity and, hence, is defined as the ability to act with

- Integrity – being straightforward and honest in all professional and business relationships,
- Objectivity – not compromising professional or business judgements because of bias, conflict of interest or undue influence of others, and
- Professional scepticism – adoption of an open-minded position that any informed, reasonable businessperson may adopt in similar circumstances.

It is critical that the Firm is and is seen to be free from any conflicts of interest that may impair the ability to deliver unbiased and impartial services.

Independence is categorized into two aspects:

- **Independence of Mind:** The state of mind that permits the accountant to form an opinion without being influenced by any relationship, interest, or circumstance.
- **Independence in Appearance:** The avoidance of circumstances that might cause a reasonable third party to believe that independence has been compromised (perception). Directors, employees and contractors of the Firm must not only act independently but they must also be perceived by a reasonable and informed third party to be independent.

### 4. Key Principles of Independence

#### 4.1. Objectivity

Directors and employees of the Firm shall:

- Avoid any relationships or circumstances that impair their professional judgement or objectivity.
- Act impartially and avoid any biases, conflicts, or undue influence that might affect their decisions.

#### **4.2. No Financial Interest**

- Directors and employees must not have any financial interest (direct or indirect) in the Firm's clients where the financial interest could reasonably be expected to impair their independence.
- The Firm will ensure that there are procedures in place to monitor the financial relationships with clients.

#### **4.3. No Personal or Business Relationships**

- Directors and employees must not have any personal or business relationships with a client, their directors, or key management personnel that might be perceived as influencing their professional judgement.

### **5. Identification and Management of Independence Threats**

#### **5.1. Threats to Independence**

Independence threats may arise in various forms, including but not limited to:

- **Self-interest Threat:** Financial or personal interests that could affect professional judgment.
- **Self-review Threat:** When an accountant is required to review their own work.
- **Advocacy Threat:** When the Firm or its staff promote the interests of a client in a manner likely to compromise the independence of the Firm.
- **Familiarity Threat:** When a long-term relationship with a client results in a loss of objectivity.
- **Intimidation Threat:** When a client or other parties attempt to influence the actions of the directors or staff. This will include a concentration risk where one client makes such a significant contribution to the revenues of the Firm as to impair its independence towards that client.

#### **5.2. Safeguards**

The Firm shall implement safeguards to address potential threats to independence, including but not limited to:

- **Independence Confirmation:** Directors, senior staff, and key personnel are required to complete a declaration of independence each year.
- **Independence Review:** Regular internal reviews of compliance with this policy will be conducted, including a review of the Firm's relationships with clients.
- **Checking of Conflicts:** Prior to the acceptance of any engagement which requires independence to be demonstrated, a Firm-wide conflict of interest check is to be carried out.

### **6. Documentation and Record-Keeping**

The Firm will maintain documentation that demonstrates compliance with this policy. All independence declarations, engagement letters, and applicable reports will be retained in the Firm's records. Any threats to independence and the associated safeguards will be documented and reviewed regularly.

### **7. Breaches of Independence**

Any breach of this policy will be considered a serious matter and may lead to disciplinary action. Where necessary, the breach will be reported to relevant regulatory bodies such as CAANZ/NZICA or the FMA.

### **8. Review of Policy**

This policy will be reviewed at least annually to ensure its effectiveness and compliance with any changes in professional standards, regulations, or legal requirements.

Policy updated August 2025.