



Audit Independence Policy

Purpose

The purpose of this Audit Independence Policy (**policy**) is to ensure that external audit independence is maintained, both in fact and appearance, so that the external financial reporting of Genesis Energy Limited and its subsidiaries (**Genesis** or the **Company**) is both reliable and credible.

This policy provides guidance on the provision of external audit services by any person(s) engaged to perform external audit services in relation to Genesis on behalf of the Office of the Auditor General (**External Auditor**).

Scope

This policy applies to the Directors and to all employees and contractors¹ of the Company (**Genesis Persons**).

Background

Genesis is required to comply with the listing rules of the stock exchanges on which it is listed, and will therefore maintain external financial auditor independence consistent with the requirements of the NZX Listing Rules, the ASX Listing Rules and best practice.

The Audit and Risk Committee of the Company is responsible for administering this policy and the Audit and Risk Committee Charter should be referred to when reviewing this policy.

References to the provision of 'external audit services' means the audit of Genesis' financial statements to confirm that they are a true and fair view of the financial position of the Company and that the financial statements comply with all relevant financial legal obligations and accounting standards.

Policy Statement

Engagement of the External Auditor

The Board of Directors of Genesis (**Board**) (on the recommendation of the Audit and Risk Committee) will approve the engagement or termination of the External Auditor for the provision of external audit services.

The External Auditor will confirm to the Audit and Risk Committee annually that they are in compliance with the independence requirements of Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and that they have fulfilled their other ethical responsibilities in accordance with these requirements.

Rotation of the senior audit partner, advising partner and review partner is required every five years with a mandatory two-year stand down period to be completed before that partner's next engagement with the Company.

Former Genesis employees will not be engaged in an external audit role for the Company within two years of leaving the Company.

Former audit partners or audit managers will not be employed by the Company without prior approval of the Audit and Risk Committee and in some instances, the Office of the Auditor General.

¹ For avoidance of doubt, contractors are individuals embedded within Genesis who work alongside Genesis employees, usually in an office environment, and under the direction of a Genesis manager, and employees includes secondees to the Company.



The External Auditor will monitor the firm's independence and confirm to the Audit and Risk Committee annually that it has remained independent, consistent with this policy and their own respective policy, during the previous twelve months.

Specifically, the External Auditor will be required to confirm its commitment to strict procedures to ensure that:

- (a) the External Auditor, its partners and staff do not have any financial interest in Genesis;
- (b) there are no business relationships between Genesis and the External Auditor, beyond the provision of external audit services or approved services provided pursuant to this policy; and
- (c) no fee paid by Genesis to the External Auditor is paid on a contingency basis.

The Audit and Risk Committee will require the External Auditor to provide the following assurances annually:

- (a) the total fees received by the External Auditor from Genesis do not have a material impact on its operations or financial condition;
- (b) Genesis has not withheld fees from the External Auditor; and
- (c) there is no litigation between Genesis and the External Auditor.

The External Auditor will attend the Company's Annual Meeting to answer questions from shareholders in relation to the audit of the Company.

Non-Audit Services which are not permitted

The External Auditor's firm will not be used for any purpose which could reasonably be regarded as compromising the independence of the External Auditor.

Non-audit services, which may not be performed by the External Auditors, include (but are not limited to) the following:

- (a) involvement in the production of financial information or the preparation of financial statements such that the External Auditor could be perceived as auditing its own work;
- (b) involvement in the function of managing the Company or responsibility for making management decisions;
- (c) involvement in the design or implementation of key financial information systems and processes;
- (d) involvement in liquidations or receiverships;
- (e) involvement in the Company's internal audit programme or business assurance services;
- (f) staffing of temporary roles, including secondments and/or the assistance in recruiting senior management;
- (g) provision of valuation services where the valuation is included in audited financial information;
- (h) providing broker, dealer, investment advisory or investment banking services;
- (i) provision of actuarial services;



(j) provision of taxation advice that has, or will be, applied in determining the income tax liabilities recorded in the financial statements of the audit entity, and is not in accordance with published Inland Revenue Department policy, or has not been confirmed with the Inland Revenue Department;

(k) provision of taxation advice relating to the design or implementation of tax avoidance policies or mechanisms; and

(l) taxation engagements involving the computation of income liabilities or other tax liabilities (or assets) for the purposes of the financial statements or for returns to the Inland Revenue Department.

All Non-Audit Services must be approved

All non-audit services must be first approved by the Audit and Risk Committee, whether or not they are finance related.

Where non-audit services are provided by the External Auditor's firm, the fees for such services should not, in the aggregate, exceed the fees for core external audit services in any financial year.

Reporting

At each meeting of the Audit and Risk Committee, the Chief Financial Officer will report to the committee on any work conducted by the External Auditor since the previous meeting.

Review of this Policy

The Board is accountable for approving this policy and any amendments to it. The Board will review this policy every 24 months or earlier if determined by the Board.

Last approved: December 2018