



**MEDIA CHINESE INTERNATIONAL LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Malaysia Company No. 200702000044)

(Hong Kong Stock Code: 685)

(Malaysia Stock Code: 5090)

**POLICY FOR THE ASSESSMENT OF THE SUITABILITY AND  
INDEPENDENCE OF EXTERNAL AUDITOR**

**(Approved and adopted by the Board on 28 March 2023)**

**1. Overview**

The Board of Directors (the “Board”) and the Audit Committee of Media Chinese International Limited (the “Company”, together with its subsidiaries, the “Group”) are committed to ensuring the suitability and independence of external auditor in substance as well as in form.

The independence of the external auditor is a key governance issue for the Group. On an annual basis, the AC should ensure the independence and impartiality of the external auditor, taking into consideration relevant regulatory requirements.

Management should obtain assurance from the external auditor confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

**2. Selection Criteria**

The following criteria shall be considered by the Audit Committee when assessing and evaluating the appointment, reappointment and removal of the external auditor of the Group:-

a) Audit Fees

The candidate/candidates must provide a fee quotation for its audit services. The level of proposed fee for the audit services shall not be the sole determining factor in the selection process.

b) Independence

The candidate/candidates must satisfy the Audit Committee that it is independent and outline the procedures it has in place to maintain its independence.

The independence of the external auditor is integral to the role of auditor. The Audit Committee will give due consideration to the requirements when selecting preferred auditor for

recommendation to the Board.

c) **Material Matters**

The candidate/candidates must outline its proposed procedures to address the issue of material significance or matter of disagreement with the management of the Company.

The external auditor shall be required to disclose to the Audit Committee all issues of material significance and all matters of disagreement with the management of the Company, whether they are resolved or unresolved, and to assist the Audit Committee to review such matters.

d) **Non-audit Services**

The candidate/candidates must state its/their approach to the provision of non-audit services to the Group.

e) **Competency and Resources**

The Audit Committee shall consider, including but not limit to the reputation of the candidate/candidates and qualifications of its/their professionals, together with the breadth and depth of resources, expertise and experience of the team members, the networking ability and competency to address the issue of the overseas subsidiaries not audited by the candidate/candidates, i.e. its liaison capability with the component auditor, are equally important assessing their suitability.

f) **Industry Specialty**

Industry specialty should provide higher quality audits for the reasons of the better audit technologies, lower costs due to economies of scale and superior knowledge due to knowledge economy. In addition, industry experience can improve the detection of fraudulent reporting and task-level performance.

**3. Approval of Non-audit Services**

**I. Statement of Principles**

The policy on audit and non-audit services is guided by the following principles: -

- (a) The auditor may provide audit and non-audit related services that, while outside the scope of the statutory audit, are consistent with the role of auditor;
- (b) The external auditor shall not provide services that are perceived to be materially in conflict with the role of auditor;
- (c) The external auditor may be permitted to provide non-audit services that are not perceived to be materially in conflict with the role of auditor; and
- (d) Any exceptions that can be made to the Policy where the variation is in the interest of the Group and arrangements are put in place to preserve the integrity of the external audit process. The Board must specifically approve any such exception.

Before appointing the external auditor to undertake a non-audit service, considerations should be given to whether this would create a threat to the external auditor' independence or objectivity. The external auditor should not be appointed unless appropriate safeguards are present to eliminate or reduce the threat to an acceptable level. External auditor shall not be considered for

non-audit services specifically prohibited by the by-laws of the Malaysian Institute of Accountants or promulgations of the International Federation of Accountants for which no safeguard can eliminate or reduce the threat on the external auditor' independence.

The subsidiary or entity must inform the Group CEO of the non-audit services and the estimated fees to be incurred.

The subsidiary or entity can only proceed with the non-audit service work when authorised by the Group CEO.

Engagements of external auditor to provide non-recurring and/or unplanned non-audit services must be approved by the Audit Committee.

Management shall obtain confirmation from the external auditor that the independence of the external auditor will not be impaired by the provision of non-audit services.

There are three common approaches available to satisfy the concurrence requirement for proposed non-assurance services.

- Option 1: The Audit Committee may adopt a concurrence policy that is detailed as to the particular types of services that may be provided by the independent auditor without consideration of the Audit Committee on a case-by-case basis ("policy-based concurrence") for any services covered by the policy.
- Option 2: The Audit Committee may concur as to each particular service on a case-by-case basis ("separate concurrence"), and
- Option 3: A combination of options 1 and 2.

The Audit Committee believes that a combination of these approaches (Option 3) will provide an effective and efficient way to provide concurrence with non-audit services performed by the independent auditor. Therefore, it is expressly understood that unless a type of service has received policy-based concurrence, it will require separate concurrence by the Audit Committee. Any proposed services exceeding pre-concurred maximum fee amounts will also require separate concurrence by the Audit Committee.

For both policy-based concurrence and separate concurrence, the Audit Committee will consider whether the proposed services are consistent with the relevant rules on auditor's independence.

The independent auditor has reviewed this Policy and believes that implementation of the policy will not adversely affect the auditor's independence.

## **II. Concurrence Framework**

The Audit Committee hereby grants policy-based concurrence for the independent auditor to provide any non-assurance services that are permissible under IESBA Code Part 4A and Part 4B to the Company and its subsidiaries.

## **III. Pre-Concurred Maximum Fee Amounts**

Maximum fee amounts for pre-concurred services to be provided by the independent auditor will be established annually by the Audit Committee. Pre-concurred maximum fee amounts shall not exceed 20% of the total annual audit fee amount for the financial year. Proposed services exceeding these maximum fee amounts will require separate concurrence by the Audit

Committee.

The Audit Committee shall consider the overall relationship of fees for audit and non-audit services in determining whether to pre-concur any non-assurance services. For each fiscal year, the Audit Committee may determine the appropriate ratio between the total amount of fees for Audit, Tax services and Non-Tax services.

#### **IV. Delegation**

The Audit Committee also believes that the Group CEO has the competency and experience to review those NAS proposed to the Company and its subsidiaries that are covered by the concurrence framework but not listed on the List of Permissible Non-Assurance Services in the appendices, and determine if provision of such services by an independent auditor is in line with the concurrence framework established in this policy, and hereby delegates the review responsibility to the Group CEO.

The Group CEO shall monitor the NAS fees to ensure that the maximum annual limit is not exceeded and to report such services to the Audit Committee on an annual basis.

#### **V. Delegation of Concurrence Authority Among Multiple PIEs**

The following company is a subsidiary PIE of the Company:

- One Media Group Limited

The Audit Committee of the Company has delegated all authority to the Audit Committee of the above PIE to be informed by the independent auditor about the permissibility of NAS proposed to the above PIE and its subsidiaries, and other relevant independence-related information about the NAS, and to provide concurrence for all NAS proposed to the above PIE and its subsidiaries. The Audit Committee of the above PIE delegates the authority to the Audit Committee of the Company to be informed by the independent auditor about the permissibility of NAS proposed to the above PIE's parent company/companies. If the above PIE has other subsidiary PIEs, they may choose to adopt the similar delegation to grant NAS concurrence.

#### **VI. Tax Services**

The Audit Committee believes that the independent auditor can provide tax services to the Company, the Company's subsidiaries and parent entities such as tax compliance, tax planning and tax advice without impairing the auditor's independence. Hence, the Audit Committee believes it may grant policy-based concurrence to those tax services in the Appendices that the Audit Committee has reviewed and believes would not impair the independence of the auditor.

The Audit Committee will not permit the retention of the independent auditor in connection with tax advisory and tax planning services when: (a) The effectiveness of the tax advice depends on a particular accounting treatment or presentation in the financial statements; and (b) the independent auditor has doubt as to the appropriateness of the related accounting treatment or presentation.

Pursuant to the preceding paragraph, the Audit Committee has pre-concurred with the engagement of the independent auditor to provide the tax services in *Appendix A*.

Any other permissible tax services provided to the Company, its subsidiaries and parent

companies that are not listed in *Appendix A* must be reviewed and assessed separately by the Group CEO. The Group CEO will determine the next steps following the procedures in VIII. Procedures.

#### **VII. Non-Tax Service**

The Audit Committee has pre-concurred with the non-tax services listed in *Appendix B* to the Company, its subsidiaries and parent companies, provided that such services do not exceed the fees level set in III. Pre-Concurred Maximum Fee Amounts.

Any other permissible non-tax services provided to the Company, its subsidiaries and parent companies that are not listed in *Appendix B* must be reviewed and assessed separately by the Group CEO. The Group CEO will determine the next steps following the procedures in VIII. Procedures.

#### **VIII. Procedures**

All requests or applications for services to be provided by the independent auditor shall be submitted to the Group CEO and must include a detailed description of the services proposed to be rendered.

The Group CEO will determine whether such services (1) require separate concurrence and (2) conform with this concurrence policy, and are covered in this concurrence policy

The directives in this Section do not delegate any required duties or authority of the Audit Committee to management or relieve the Audit Committee from any of its responsibilities.

#### **IX. Prohibited Services**

A list of the prohibited non-assurance services is attached to this policy as *Exhibit 1*. The list sets forth the several services that have been specifically identified as services that may not be performed by the Company's independent auditor due to unacceptable level of independence threats. The Audit Committee will consult the relevant guidance, with the assistance of counsel when necessary or appropriate, to determine whether any proposed service by the independent auditor falls within any category of prohibited non-assurance services.

#### **4. Monitoring and Reporting**

The Group CEO shall report to the Audit Committee on an annual basis the nature of actual services provided by the independent auditor as well as the associated fees.

#### **5. Disclosure to the Audit Committee**

The engaged external audit firm partner shall, without the presence of executive directors and management of the Company, meet with the Audit Committee at least twice (2) a year to discuss any issues needed to be deliberated.

No less frequently than annually, the independent auditor shall report to the Audit Committee on the non-assurance services provided by and the amounts paid to the independent auditor pursuant to this Policy.

It's encouraged that such reports would list and describe all of the services provided by the

independent auditor and identify the exact sums paid by the Company to the independent auditor in connection with each separate engagement.

## **6. Annual Assessment**

The Audit Committee is responsible for assessing the performance, suitability and independence of the engaged external auditor in accordance with the following criteria:-

- a) Quality of service;
- b) Sufficiency of the resources; and
- c) Independence, objectivity and professional skepticism,

The Audit Committee shall obtain feedback concerning the quality of the audit services from the management of the Company. The Audit Committee shall review and evaluate the appropriateness of the audit fees to support the quality of the audit.

The Annual Transparency Report presented by the engaged external audit firm shall also be taken into account in the event of annual assessment. If the engaged external audit firm is not required to issue the Annual Transparency Report, the Audit Committee shall arrange to investigate and to conclude the matters which typically to be covered in the Annual Transparency Report, including the governance and leadership structure of the engaged external audit as well as measures undertaken by the firm to uphold audit quality and manage risk.

Upon the satisfaction in the competence, independence and other necessary criteria of the external auditor, the Audit Committee shall consider to recommend the re-appointment of the engaged external auditor to the Board for due consideration and approval. The Board shall seek the shareholders' approval for the re-appointment of the external auditor at the forthcoming annual general meeting.

## **7. Review of the Policy**

This Policy shall be reviewed and updated by the Board periodically to ensure its relevance and appropriation.

Any revision or amendment to this Policy, as proposed by the Audit Committee, shall be first presented to the Board for approval.

**Appendix A: List of Permissible Non-Assurance Services (Tax Services)**

No.	Service Type	Service Description
1	Tax Compliance Services	<p>Preparing and/or reviewing tax returns and related filings (e.g., applications for extensions of time, estimated tax payments and related tax payment vouchers, other tax reporting disclosures and elections, etc.) for the many different forms of taxation such as income taxes, indirect taxes (e.g., excise tax, sales and use tax, value added tax, goods and services tax, etc.), property taxes, customs and duties taxes, withholding taxes, Foreign Account Tax Compliance Act (“FATCA”), Common Reporting Standard (“CRS”), Foreign Bank Account Reporting (“FBAR”), employment taxes, etc.</p> <p>Supplying software that is limited in functionality to the preparation of tax returns and related tax filings (e.g., applications for extensions of time, estimated tax payments and related tax payment vouchers, other tax reporting disclosures and elections, etc.) for the many different forms of taxation such as income taxes, indirect taxes (e.g., excise tax, sales and use tax, value added tax, goods and services tax, etc.), property taxes, customs and duties taxes, withholding taxes, FATCA, CRS, FBAR, employment taxes, etc., and providing maintenance assistance to support proper functioning of the automated non-financial tool/platform, or to perform basic upgrades.</p> <p>Advising on tax reporting matters related to the many different forms of taxation such as income taxes, indirect taxes (e.g., excise tax, sales and use tax, value added tax, goods and services tax, etc.), property taxes, customs and duties taxes, withholding taxes, FATCA, CRS, FBAR, employment taxes, etc.</p> <p>Advising on the applicable handling of items for tax reporting purposes, and required tax reporting disclosures, elections, available filing positions, and qualification/tax status of the Company (e.g., Registered Investment Companies (“RICs”), Real Estate Investment Trusts (“REITs”), etc.).</p> <p>Advising on the tax reporting implications of reorganizations and restructurings, and other M&amp;A matters.</p> <p>Performing an analysis of prior year tax returns to help the Company identify, quantify and document potential tax refund opportunities, including preparing tax refund claims and supporting documentation to be filed with tax authorities, and addressing questions raised by tax authorities in connection with such tax refund claims.</p> <p>Performing tax consulting services, such as, tax incentives, tax rulings or tax checks to help the company identify, quantify and document (including preparing applications and supporting documentation to be filed with tax authorities), and address questions raised by tax authorities.</p> <p>Performing a non-recurring review of the Company’s compliance with the applicable tax reporting rules to highlight potential gaps, and provide high-level recommendations for the Company’s consideration as it addresses identified gaps.</p> <p>Advising on customs and duties tax reporting matters including the areas of tariffs and classification, origin, and pricing and documentation requirements.</p> <p>Performing tax technical analyses and related tax compliance calculations to help the Company prepare tax returns and related tax documentation, such as transaction cost analyses, fixed asset depreciation studies, tax depreciation, meals &amp; entertainment analyses, research &amp; development studies, earnings &amp; profits studies, earnings &amp; profits studies, stock basis studies, capital exchange studies, etc.</p> <p>Providing tax opinions on the Company’s tax treatments for submission to the regulators due to the Company’s issuance of debts and asset-backed securities.</p>

2	Tax Consulting and Tax Planning Services	<p>Advising on how to structure the Company’s affairs in a tax efficient manner in relation to a broad range of issues/topics.</p> <p>Providing tax technical advice and answers to questions on tax matters, including research, discussions, and preparing memoranda related to general tax opportunities and challenges, mergers, acquisitions, divestitures, restructurings, other business transactions, supply chain enhancement, transfer pricing/intercompany transactions, tax attribute planning, employee benefit plans and compensation arrangements, and special tax projects/planning/documentation related to the many different forms of taxation such as income taxes, indirect taxes (e.g., excise tax, sales and use tax, value added tax, goods and services tax, etc.), property taxes, customs and duties taxes, withholding taxes, FATCA, Common Reporting Standard (“CRS”), FBAR, employment taxes, etc.</p> <p>Reviewing and commenting on the tax aspects of human resources and other people management policies and procedures in the areas of international assignments, compensation rewards, pension plans, and employment solutions.</p> <p>Preparing tax structuring documentation such as step plans, work plans to implement the Company’s final restructuring plan, etc.</p> <p>Advising on the compliance, interpretation and application of new/existing or proposed/pending tax laws and regulations and providing advice, clarification, impact analyses as well as recommendations (in oral or written form) for the Company to consider.</p> <p>Providing generic tax technical research resources, tax technical updates, tax technical publications, tax technical benchmarking and survey results and related information on a periodic or subscription basis.</p> <p>Preparing requests for tax rulings and tax technical advice from tax authorities.</p> <p>Utilizing assumptions and financial information furnished by the Company, calculating the estimated future tax effects of hypothetical scenarios for purposes of analyzing the tax consequences of the tax technical advice being provided by the independent auditor.</p> <p>Advising on FATCA &amp; CRS implementation and consulting service including regulations, compliance manual, FATCA &amp; CRS form, entity/product analysis, due diligence procedure, FATCA registration, system enhancement, update FATCA &amp; CRS information etc.</p> <p>Providing technical service to assist the Company in collating the data required with reference to the FATCA &amp; CRS reporting requirements, generating the relevant XML files with reference to the FATCA &amp; CRS XML schemas, encrypting and uploading the said XML files to the relevant tax authority online portals in local jurisdiction.</p> <p>Reviewing and performing control testing on FATCA &amp; CRS processes and procedures required for periodic compliance review. Also, providing the findings and recommendations on FATCA &amp; CRS procedures after review from tax compliance perspective.</p>
3	Transfer Pricing Services	<p>Providing tax technical advice and answers to questions on transfer pricing matters including the tax rules governing arm’s length pricing for intercompany transactions, etc.</p> <p>Providing transfer pricing tax compliance services, including preparing transfer pricing documentation and transfer pricing information returns, collecting, summarizing, analyzing, compiling and formatting transfer pricing information and comparable data, analyzing external and internal evidence relevant to the Company’s transfer pricing</p>



		<p>position and compliance with applicable transfer pricing regulations, calculating the Company’s current or prior year tax liability, advising on the tax treatment of past transactions, and preparing supporting documentation for tax purposes.</p> <p>Preparing unilateral and bilateral Advanced Pricing Agreements (“APAs”), tax-sharing agreements, inter-group royalty agreements, other inter-company agreements, etc., and related tax reporting disclosures, and addressing questions from tax authorities related to such tax documents.</p> <p>Advising on the defense of tax authority audits, tax examinations or tax authority investigations related to transfer pricing/intercompany transactions, including preparing tax correspondence with tax authorities, and addressing questions raised by tax authorities in connection with such tax authority audits, tax examinations or tax authority investigations.</p> <p>Performing a country-by-country analysis from a transfer pricing perspective and preparing supporting documentation for country-by-country reporting (“CbCR”).</p> <p>Assisting in country-by-country reporting (“CbCR”) related services (e.g., providing CbCR templates; preparing the CbCR or reviewing the completed CbCR provided by the Company to see if its format meets filing requirements but excluding verifying correctness and completeness of information contained in the completed CbCR; communicating with the Company for filing CbCR; filing services in other countries; converting the finalized CbCR into the XML format prescribed by the tax authority; preparing a cover letter; sending the CbCR and the cover letter to the tax authorities if internet filing is not chosen or sending electronic files of both the CbCR and the cover letter to the Company for uploading information onto the tax authority portal, which requires the Company’s login; and drafting supplementary letters to the tax authorities).</p> <p>Advising on how to obtain competent authority relief from tax authorities with respect to tax adjustments related to intercompany transactions, including preparing the application and supporting documentation to request such relief, and addressing questions raised by tax authorities in connection with such requests.</p>
4	Tax Audit Defense Services	<p>Advising on the defense of a tax authority audit, tax examination or tax authority investigation, related to the many different forms of taxation such as income taxes, indirect taxes (e.g., excise tax, sales and use tax, value added tax, goods and services tax, etc.), property taxes, customs and duties taxes, withholding taxes, FATCA, employment taxes, etc., including establishing the relevant facts and analyzing the relevant tax law, performing tax, interest and/or penalty computations on principal tax liabilities and tax refunds resulting from tax audit adjustments, preparing tax correspondence with tax authorities, and addressing questions raised by tax authorities in connection with such tax authority audits, tax examinations or tax authority investigations.</p> <p>Advising on the feasibility of participating in a tax authority’s “Voluntary Disclosure Agreement” program, “Managed Audit Program,” and/or similar program offered by a tax authority, including preparing the application and supporting documentation to participate in such programs, and addressing questions raised by tax authorities in connection with such programs.</p> <p>Perform verification work to support the eligibility of expenses claimed for tax deduction.</p>
5	Individual Tax Services (Paid by the Company on behalf of the individual)	<p>Preparing individual income tax returns for the Company’s personnel living domestically and/or abroad.</p> <p>Advising on tax reporting matters related to individual taxation for the Company’s personnel living domestically and/or abroad, such as the applicable handling of items for tax reporting purposes, required tax reporting disclosures, elections, and available filing positions.</p>

		<p>Providing tax technical advice to the Company’s personnel living domestically and/or abroad including research, discussions, and preparing memoranda on a broad range of individual taxation issues/topics related to how the Company’s personnel can structure their affairs in a tax efficient manner, the impact of changes in tax rules, the consequences of changes in the Company’s compensation programs or practices, etc.</p>
6	<p>Global Mobility and International Assignee Services (Provided to the Company for the Company’s Tax Purposes)</p>	<p>Utilizing assumptions and financial information provided by the Company, preparing “tax equalization calculations” with respect to the Company’s personnel living domestically and/or abroad on international assignment (i.e., an “assignee”) to help the Company understand the projected tax costs of the assignment, including calculating the assignee’s hypothetical tax liability as if they had remained in their home country for the entire period, and calculating the difference between an assignee’s projected/actual and hypothetical tax liabilities.</p> <p>Utilizing assumptions and financial information furnished by the Company, performing “net to gross” calculations with respect to the Company’s personnel living domestically and/or abroad on international assignment (i.e., an “assignee”) to help the Company satisfy its tax reporting obligations.</p>
7	<p>Other Integral Service Components and Activities</p>	<p>In conjunction with and to support the provision of the aforementioned tax services, the independent auditor may also coordinate the delivery of the independent auditor’s tax services, identify and remind the Company of critical dates in the tax compliance process, extract data from the Company’s financial and other management information systems, be appointed by the Company under a standard form Power of Attorney, sign tax returns and tax correspondence with tax authorities in the independent auditor’s capacity as the Company’s tax representative or tax return preparer, make small disbursements for administrative fees and recover such amounts from the Company as an out of pocket expense (e.g., a private ruling fee, an application fee to register as the Company’s tax advisor, be appointed as applicant agent under a letter of appointment relating to company secretary or company registration services , etc.), translate information, forward completed tax returns and/or tax correspondence with tax authorities to the relevant tax authorities, provide the Company’s bank account information to a tax authority under the tax authority’s specified criteria (i.e., so that the tax authority may initiate electronic money transfers to or from the Company’s bank account), correspond with the relevant tax authorities on the Company’s behalf, and host copies of the Company’s data, records or documents that are directly related and required to provide the independent auditor’s ongoing services.</p>
8	<p>Incorporation and License Application Services Corporate Registration or De-registration Services /Outward or Inward Application Services/Offshore Company Maintenance Services</p>	<p>Preparing drafts of application forms and non-financial related documents that are not subject to audit, delivering the applications to the relevant authorities and translating company-prepared documents for the Company to review.</p> <p>Advising the Company on maintaining compliance with regulatory requirements during the formation of a new corporate entity, or the application of licenses to be granted by the relevant authorities, and reviewing and commenting on the Company’s incorporation or license application documentation where the reviewing and commenting will not involve designing or implementing the Company’s financial policy, processes, controls or systems that are relied on or evaluated by the independent auditor in its audit.</p>
9	<p>Tax Dispute Resolution and Litigation Services</p>	<p>Providing the following as long as the provision of the assistance in the resolution of a tax dispute would not create a self-review threat, and the independent auditor would not be acting as an advocate for the Company before a tribunal or court:</p> <ul style="list-style-type: none"> <li>Acting as the Company’s tax advisor or tax representative in relation to disputes with tax authorities, including speaking or writing on behalf of the Company to the tax authority, or to any other person or body authorised to resolve the dispute.</li> </ul>

		<ul style="list-style-type: none"><li>• Advising the Company in relation to disputes with tax authorities (e.g., on technical issues, case strategy and case management/administration).</li><li>• Reviewing, challenging and commenting on arguments raised by the Company and/or by the tax authorities.</li></ul>
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**Appendix B: List of Permissible Non-Assurance Services (Non-Tax Services)**

1	Agreed-Upon Procedures engagements	Conducting agreed-upon procedures in accordance with HKSRS 4400 (revised) and Note 730 (revised) regarding the work on the preliminary announcement of the results of the Company and its subsidiaries.
2	Agreed-Upon Procedures engagements	Conducting agreed-upon procedures in accordance with ISRS 4400 (revised) regarding the work on the condensed consolidated interim financial information of the Company and its subsidiaries.
3	Agreed-Upon Procedures engagements	Conducting agreed-upon procedures in accordance with HKSRS 4400 (revised) regarding the work on the summary of the circulation copies for the Ming Pao Daily News.
4	Risk, Internal Controls and Corporate Governance	Review and report on the Statement on Risk Management and Internal Control intended to be included in the annual report of the Company pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

**Exhibit 1**

**Prohibited services provided by the independent auditor**

The following services are prohibited due to creating unacceptable level of independence threats.

No.	Service Description
1	Valuation services for financial reporting purposes
2	Financial-related internal audit services
3	Design/implementation services of accounting or financial information systems
4	Implementing “off-the-shelf” accounting or financial information software that is not developed by the auditor
5	Litigation support services that involve estimating, or which affect the estimation of, damages or other amounts that affect the financial statements on which the independent auditor will express an opinion
6	Legal services that include: <ul style="list-style-type: none"> <li>• estimating a potential loss arising from a lawsuit for the purpose of recording a provision in the Company’s financial statements or interpreting provisions in contracts that might give rise to liabilities reflected in the Company’s financial statements</li> <li>• interpreting provisions in contracts that might give rise to liabilities reflected in the Company’s financial statements</li> </ul>
7	Acting in an advocacy role in resolving a dispute or litigation before a tribunal or court
8	Accounting and bookkeeping services except as specifically permitted under All Other Services, such as preparing accounting records or financial statements, recording transactions, providing payroll services, resolving account reconciliation problems, and converting existing financial statements from one financial reporting framework to another. Exception: the independent auditor may prepare statutory financial statements for a subsidiary or significant associate provided certain criteria are met
9	Tax calculations for accounting and financial statement purposes
10	Tax advisory and tax planning services or advice in relation to corporate finance when: (a) The effectiveness of the advice depends on a particular accounting treatment or presentation in the financial statements; and (b) the audit team has doubt as to the appropriateness of the related accounting treatment or presentation
11	Acting as an expert witness in a matter unless the independent auditor is appointed by a tribunal or court or meets certain criteria when in relation to a class action (or an equivalent group representative action).
12	Recruiting services with respect to the following positions, including searching for or seeking out candidates, undertaking reference checks of prospective candidates, recommending the person to be appointed; or advising on the terms of employment, remuneration or related benefits of a particular candidate: <ul style="list-style-type: none"> <li>• A director or officer of the Company; or</li> <li>• A member of senior management in a position to exert significant influence over the preparation of the Company’s accounting records or the financial statements on which the independent auditor will express an opinion.</li> </ul>
13	Tax avoidance service, i.e., providing a tax service or recommend a transaction if the service or transaction relates to marketing, planning, or opining in favor of a tax treatment that was initially recommended by the auditor, and a significant purpose of the tax treatment or transaction is tax avoidance, unless the proposed treatment has a basis in applicable tax law or

	regulation that is likely to prevail
14	Corporate finance services that involve promoting, dealing in, or underwriting the shares, debt or other financial instruments issued by the Company or providing advice on investment in such shares, debt or other financial instruments

- \* Provision of some of these non-audit services may be permitted if it is reasonable to conclude that the results of these services will not be subject to audit procedures. Materiality is not an appropriate basis upon which to overcome the rebuttable presumption that prohibited services will be subject to audit procedures.