



## **PROCEDURE FOR THE SELECTION AND APPOINTMENT OF EXTERNAL AUDITORS, AND ROTATION OF EXTERNAL AUDIT ENGAGEMENT PARTNER**

### **Responsibility for selection and appointment**

The Audit & Risk Committee is responsible for the Company's External Auditor relationship with its External Auditor and makes annual recommendations to the Board in relation to the appointment, termination and oversight of the External Auditor. It also ensures that key partners within the appointed firm are rotated from time to time in accordance with Board policy.

### **Selection criteria**

The Company requires its External Auditor to review, test and challenge its accounting policies, accounting processes and internal financial controls. Accordingly, the Company will appoint as External Auditor a recognised and respected accountancy firm which has access to expert international accounting standards, demonstrable audit quality control processes and the necessary resources to carry out the assignment in Australia and other relevant jurisdictions.

Should a change in auditor be considered necessary, a formal tendering process will be undertaken. The Committee will identify the attributes required of an auditor and will ensure the selection process is sufficiently robust so as to ensure selection of an appropriate auditor. The Committee will recommend the selection process to the Board.

The Committee shall ensure that prospective auditors are provided with sufficient information about the Company to develop an appropriate proposal and fee estimate.

### **Selection and appointment process**

Key aspects of the External Auditor selection and appointment process are:

- The Board is responsible for appointing the External Auditor, subject to shareholder approval;
- The Audit and Risk Committee will annually review the External Auditor's performance and independence and periodically benchmark the cost and scope of the external audit engagement;
- The appointed External Auditor is required to present to the Audit & Risk Committee an annual external audit proposal;
- Upon engagement, the External Auditor will report to the Audit & Risk Committee, have unfettered access to management, staff, records and company facilities, and will be permitted reasonable time to conduct its audit.

### **Rotation of External Auditor partners and staff**

The External Auditor is required to rotate any Company audit and review partners at least once every 5 years. A previous audit partner should not be involved in the Company audit for at least 2 years subsequent to their rotation.

The External Auditor must manage its audit team members to ensure adequate rotation of staff.