

# PACIFIC CURRENT GROUP

## **Procedures for the selection and appointment of external auditors and rotation of external audit partners**

### **Section of External Auditors**

Should there be a vacancy for the position of external auditor, Pacific Current Group Limited (“**the Company**”), through the Audit and Risk Committee, conducts a formal tendering process, either a general or selective tender.

Tenders are evaluated in accordance with the criteria, as appropriate from time to time, provided to tenderers. Tenders are not assessed solely on the basis of who is the cheapest but on a number of issues such as:

- skills and knowledge of the team proposed to work and their independence from the Company;
- quality of work;
- independence of audit firm;
- lead signing partner and independent review partner rotation and succession planning;
- value for money; and
- ethical behaviour and fair dealing.

### **Appointment of External Auditors**

Through the tendering process, the Audit and Risk Committee identifies and recommends an appropriate external audit partner for appointment by the Board in conjunction with the Executive and/or Company at a General Meeting. The appointment is made in writing.

### **Rotation of External Audit Partners**

The external auditor is required to rotate its audit partners so that no partner of the external auditor is in a position of responsibility in relation to the Company’s accounts for a period of more than five consecutive years. Further, once rotated off the Company’s accounts, no partner of an external auditor may assume any responsibility in relation to the Company’s accounts for a period of five consecutive years. This requires succession planning on the part of the external auditor, a process in which the Company is involved.