

# External Auditor Policy Statement

The Macquarie Board Audit Committee (the “Committee”) is responsible for making recommendations to the Boards of Voting Directors of Macquarie Group Limited and Macquarie Bank Limited (the “Boards”) regarding the appointment and removal of the principal external auditor (“audit firm”). In making those recommendations, the Committee is authorised to conduct periodic reviews of the audit firm and to conduct tenders to assist in selecting an audit firm to recommend to the Boards.

The Board Audit Committee also monitors the effectiveness, objectivity and independence of the audit firm. In respect of the independence of the audit firm, the Committee has adopted a policy which includes the following:

- The audit firm must remain independent of the MGL Group at all times and comply with the requirements of applicable laws, rules and regulations dealing with auditor independence.
- The audit firm must monitor its independence and report to the Boards that it has remained independent every six months.
- The audit firm is not to provide non-audit services under which the auditor assumes the role of management, becomes an advocate for the MGL Group, audits its own professional expertise or creates a mutual or conflicting interest between the auditor and the MGL Group.
- Significant permissible non-audit assignments awarded to external auditors must be approved in advance by the Committee or, between Committee meetings, the Committee Chair.
- All non-audit assignments are to be reported to the Committee every six months.

This policy on auditor independence applies to services supplied by the audit firm and their related firms to the MGL Group, its related entities and the trusts and entities managed by the MGL Group.

The lead auditor and the review auditor must be rotated every five years unless the Board grants approval to extend the term for up to a further two years.

**Date:** 15 December 2015