

Appointment of Statutory Auditors

SingTel recognises that statutory auditors are a critical component of the Group's overall corporate governance framework. External auditors provide the Board and shareholders with an independent verification of the Group's financial statements, as well as highlight material weaknesses in the Group's systems of internal control and accounting procedures.

The Board is responsible for the initial appointment of the external auditors. Shareholders then approve the appointment at SingTel's Annual General Meeting. The external auditors hold office until their removal or resignation.

The Audit Committee assesses the external auditors based on factors such as the performance and quality of their audit, the independence of the auditors, and recommends their re-appointment to the Board.

Pursuant to the requirements of SGX (Singapore Exchange Securities Trading Limited), an audit partner can only be in charge of up to a maximum of five consecutive annual audits, and may then return after two years.

SingTel believes that a periodic rotation of external auditors will serve to further strengthen the corporate governance of the Group and enhance independence of the external auditors.

The selection and appointment of the new external auditors involved inviting suitably qualified international accounting firms to submit proposals. The proposals are subject to rigorous evaluation based on criteria that included sound audit approach and methodology, commitment and availability of resources, suitably qualified key personnel with relevant industry experience and technical expertise, avoidance of conflict of interest, ability to demonstrate smooth audit transition, proposed fees and satisfactory results of reference checks.