

External Audit Policy

Spark Infrastructure Group

Adopted by the Board on 9 December 2016

Introduction

Spark Infrastructure RE Limited (the "Company") is the responsible entity and trustee of the Spark Infrastructure Trust (the "Trust").

The purpose of this Policy is to outline the Company's procedure for the selection and appointment of the external auditor, the rotation of the external audit engagement partner and its position on the provision of non-audit services by the external auditor.

External Audit Policy

Appointment

The Audit, Risk and Compliance Committee ("ARC Committee") is responsible for making recommendations to the Board in relation to the selection and appointment of the external auditor and for establishing and regularly reviewing the terms of the external auditor's engagement.

In considering the selection and appointment of an external auditor, the ARC Committee can have regard to the criteria it deems appropriate, which may include but is not restricted to:

- reputation, resources and experience;
- audit approach and methodology;
- governance;
- key personnel;
- cost;
- independence from other key service providers such as internal audit; and
- familiarity and knowledge of the Group's business.

The ARC Committee will review the appointment of the external auditor annually based on its assessment of the auditor's performance.

Assessment of External Auditor

The ARC Committee will review the performance of the external auditor on an annual basis after completion of the year-end audit. In evaluating the effectiveness of external audit, the ARC Committee will assess the effectiveness of the external auditor based on a number of criteria including but not restricted to:

- the overall comprehensiveness of the external audit plan;
- the timeliness and quality of communications promised under the plan and delivered during the audit;
- the competency and industry knowledge of external audit staff; and
- the adequacy of resources to achieve the scope as outlined in the plan.

The ARC Committee will seek feedback from management during the assessment process.

Independence

The ARC Committee will review and assess the independence of the external auditor, including but not limited to any relationships with the Company, Trust or any other entity that may impair or appear to impair the external auditor's judgement or independence in respect of the Group. The review and assessment will be carried out annually at the time the external auditor presents its annual audit plan.

Prior to this review, the ARC Committee will request a report from the external auditor which sets out all relationships that may affect its independence, including the provision of non-audit services, financial relationships, employment and other relationships and any other matters that may reasonably be thought to have bearing on the external auditor's independence. The report should outline any safeguards that the external auditor has in place to reduce any threat to independence to an acceptable level.

Before the directors approve the half-year and full year accounts, the external auditor will be asked to provide a declaration testifying to its independence in respect of the financial period in question. The external auditor will have a continuing obligation to notify the ARC Committee of any new information it believes may be material to reviewing its independence.

Rotation of External Audit Engagement Partner

The external audit lead engagement partner is required to rotate at least once every five years unless the ARC Committee recommends, and the Board approves, that this period be extended by up to two years, in accordance with the Corporations Act. He or she must not play a significant role in the external audit function for at least another two consecutive years.

The ARC Committee will require the external auditor to implement a succession planning process within one year of the retirement of the lead engagement partner.

Review

The ARC Committee will, at least once a year, review this policy to determine its adequacy for current circumstances.

Provision of non-audit services

The ARC Committee is responsible for the development and oversight of the Group's policy on the engagement of the external auditor to supply non-audit services and ensure compliance with the policy.

'Non-audit services' means any services provided by the external auditor which are not included in, or are not necessarily incidental to, the terms of the audit engagement. 'Non-audit services' do not include 'prohibited non-audit services', which are services that, if provided by the external auditor to the Group, would create a real or perceived threat to the independence of the external auditor.

External auditor may not provide prohibited non-audit services

As a general rule, the external auditor may not provide any prohibited non-audit services to the Group.

Unless the ARC Committee decides otherwise, the external auditor is prohibited from:

- providing appraisal or valuation and fairness opinions;
- performing internal audit services;
- providing advice on deal structuring and related documentation;
- providing tax planning and strategic advice;
- providing IT systems services;
- performing executive recruitment or extensive human resources functions;
- acting as a broker-dealer, promoter or underwriter; or
- providing legal services.

However, even if a non-audit service is not listed above, it will still be prohibited if it creates a real or perceived threat to the independence of the external auditor.

The ARC Committee must approve all non-audit services

To ensure auditor independence is maintained, the Company requires all engagements of the external auditor to provide non-audit services to be approved in writing by the ARC Committee. The ARC Committee may delegate this approval authority to the Chair of the ARC Committee, as appropriate.

Factors to be considered by the Chair of the ARC Committee when granting approval

In assessing a request for non-audit services, the ARC Committee is required to give consideration to:

- the nature of the service provided;
- the dollar value and period of engagement;

- the availability of alternate service providers and the reasoning for recommending the external auditor;
- the audit firm's self assessment of its independence risk, including safeguards to mitigate perceived risks; and
- any other circumstances relevant to the engagement.

Monitoring and reporting

Internal Audit will monitor whether this policy is being complied with and periodically report to the ARC Committee as to compliance. Internal Audit must promptly report any breach of this policy to the Chair of the ARC Committee.

The Chief Financial Officer must report to the ARC Committee on a periodic basis regarding:

- any non-audit services provided by the auditor; and
- the amounts paid to the external auditor for those services.

The ARC Committee must provide an annual report to the Board with respect to the non-audit services provided by the external auditor during the year. The report must include:

- the amounts paid or payable to the external auditor for non-audit services provided during the year;
- a statement whether the ARC Committee is satisfied that the provision of those services during the year is compatible with the general standard of independence for auditors; and
- the reasons for the ARC Committee's opinion.