

SAI GLOBAL LIMITED
(A.C.N 050 611 642)
and its related bodies corporate
("the Company")

AUDIT AND RISK COMMITTEE CHARTER

A. Objectives and Key Accountabilities

1. This Charter governs the operations of the Audit and Risk Committee ("the Committee") of the Board of Directors ("the Board") of the Company. The Committee shall review and reassess the Charter at least annually and obtain the approval of the Board for any amendments made from time to time.
2. The Committee provides assistance to the Board in fulfilling its responsibility for oversight of the quality and integrity of the Company's accounting, auditing, financial reporting, financial and other risk management policies and practices, and fulfilling such other duties as are directed to it by the Board.
3. The Committee is responsible for recommending to the Board the appointment, compensation and retention of the External Auditor.
4. The External Auditor reports to the Committee and ultimately to the Board. The Committee is responsible for oversight of the performance of the External Auditor and reporting on that to the Board.
5. The Committee reviews and approves the appointment and/or removal of the Group Internal Audit Director and oversees the work and performance of Group Internal Audit (see Charter for Group Internal Audit).
6. The Group Internal Audit Director provides reports directly to the Committee and may request any member of the Committee to call a meeting of the Committee.
7. The Committee makes recommendations to the Board as it sees fit in fulfilment of its responsibilities. The delegation of specific functions to the Committee does not relieve the Board of its duties and responsibilities but assists the Board in carrying out its responsibilities.

B. Membership

1. The Committee shall comprise at least three non-executive Directors that have diverse, complementary backgrounds and who all meet the independence requirements established by the Board and applicable laws, regulations and listing requirements.
2. Each member of the Committee shall, in the judgment of the Board, have the ability to understand financial statements.
3. At least one member of the Committee shall, in the judgment of the Board, be a qualified accountant or other finance professional with relevant experience of financial and accounting matters as recommended by Principle 4 of the ASX Corporate Governance Principles.

4. The Board appoints the members of the Committee and its Chairman. The Chairman of the Committee shall not also be the Chairman of the Board.
5. Members of the Committee must have an understanding of the industries in which the Company operates.
6. The Secretary of the Committee shall be the Company Secretary, or such other person nominated by the Board.

C. Meetings

1. A quorum for any meeting of the Committee shall be any two members of the Committee.
2. The Chief Executive Officer (CEO), Chief Financial Officer (CFO), the Group Internal Audit Director and External Auditor shall be given notice of all meetings and shall attend meetings by invitation. The Committee may also invite any Board member or other person to attend meetings. Any Board member may attend meetings.
3. The Committee meets at least quarterly. Additional meetings may be convened as the Committee or its Chairman deem necessary.
4. Copies of all papers provided to the Committee shall also be made available to all Board members.
5. The Committee shall cause to be kept adequate minutes of all its proceedings and report on all its activities and actions at the next scheduled meeting of the Board. Committee members shall be provided with copies of the draft minutes as soon as practicable after each meeting.
6. An Action List from each Committee meeting shall be approved by the Chairman and circulated to all Committee members as soon as practicable after each meeting. The Action List shall include accountabilities, performance expectations and the nature and timing of subsequent reporting.
7. The Committee shall meet with Internal and or External Auditors in the absence of management, as it considers appropriate.

D. Authority

1. The Committee shall have the resources and authority necessary to discharge its duties and responsibilities.
2. In discharging its duties and responsibilities, the Committee is empowered to investigate any matter brought to its attention.
3. The Committee is authorised by the Board to seek any information it requires from any Board member, executive or employee, and all such persons are directed to co-operate with any request made by the Committee.
4. The Committee shall be provided with such appropriate funding by the Company as the Committee determines for the payment of compensation to the Company's external auditors, external advisors, experts or consultants as it deems appropriate and to pay ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

E. Education

1. The Company is responsible for providing new members of the Committee with appropriate orientation, briefings and educational opportunities, and the Company is also responsible for providing the Committee with educational resources related to any of its duties, and such other materials as may be requested by the Committee.
2. The Company will assist the Committee in maintaining appropriate financial literacy.
3. Members of the Committee will advise the Company of topics or issues of interest or concern that may be relevant to their education.

F. Responsibilities

1. The Committee's specific responsibilities in carrying out its oversight role are detailed in the Calendar of Responsibilities of the Audit & Risk Committee in Attachment A, which forms part of the Audit & Risk Committee Charter.
2. The Calendar of Responsibilities will be updated annually or as required to reflect changes in regulatory requirements, authoritative guidance and evolving oversight practices.
3. The Chairman of the Committee shall review the Calendar of Responsibilities ahead of each scheduled meeting of the Committee to ensure that relevant topics are presented at that meeting and so that the Responsibilities can be addressed.
4. The Committee relies on the expertise and knowledge of Management, the Internal Auditors and the External Auditors in carrying out its responsibilities.
5. The Company's Management is responsible for ensuring that the Company's financial statements correctly record and explain transactions and that the financial position and performance give a true and fair review and are in accordance with generally accepted accounting principles.
6. The External Auditor is responsible for auditing the Company's financial statements. The Committee shall:
 - (a) Review and recommend to the Board acceptance of the terms of engagement with the External Auditor;
 - (b) Make recommendations to the Board on the remuneration of the External Auditor;
 - (c) Review and recommend to the Board the appointment or removal of an External Auditor;
 - (d) Ensure appropriate policies exist for the provision of all non-audit services by the external auditor or a related party of the External Auditor and regularly review the application of those policies (refer External Auditor Policy); and
 - (e) Monitor and evaluate on a regular basis the performance of the External Auditor.

Date Approved by the Board: June 2013

ATTACHMENT A

CALENDAR OF RESPONSIBILITIES FOR AUDIT AND RISK COMMITTEE

Note: Notwithstanding responsibilities allocated to particular meetings, any matter set out below can be assessed “As Required”

RESPONSIBILITIES OF THE COMMITTEE		When Performed (Fiscal Year Audit Committee Meetings)				
		D E C	F E B	J U N E	A U G	As Rqd
General						
1	Prepare agendas in consultation between the Committee Chairman (with input from committee members), the CFO, the Internal Auditor and the External Auditor.					√
2	Review and update the Audit & Risk Committee Charter and Calendar of Responsibilities			√		
3	Complete an evaluation of the Committee’s performance having regard to its responsibilities and report to the Board.	√				
4	Advise the Board, at the next scheduled Board meeting, of material matters arising out of each Committee meeting.					√
External Audit						
5	Recommend to the Board appointment or removal of the External Auditor and approve the terms on which the External Auditor is engaged. (Refer also External Auditor Policy)					√
6(i)	<ul style="list-style-type: none"> Evaluate and note the audit plan, including relevant risk areas, as part of the External Auditor’s terms of engagement, 	√		√		
6(ii)	<ul style="list-style-type: none"> Be satisfied that the External Auditor discloses material information to the Committee in a timely fashion (including statutory and professional independence disclosures as required by the professional bodies in Australia). 	√		√		√
7(i)	<ul style="list-style-type: none"> Discuss with the external auditor any problems or reservations arising from the interim and final audits, either in meeting or in private. 	√	√	√	√	
7(ii)	<ul style="list-style-type: none"> Evaluate any audit representation letter from Management to the external auditor prior to the completion of the audit. 				√	
7(iii)	<ul style="list-style-type: none"> Discuss and approve the External Auditor’s process for the rotation of audit partners including any transition arrangements. 			√		

RESPONSIBILITIES OF THE COMMITTEE		When Performed (Fiscal Year Audit Committee Meetings)				
		D E C	F E B	J U N E	A U G	As Rqd
	At least annually, evaluate the External Auditor’s qualifications, performance, and independence, including that of the lead partner.					

	The evaluation will include obtaining a written report from the external auditor describing:					
8(i)	<ul style="list-style-type: none"> The firm's internal quality control procedures; 	√				
8(ii)	<ul style="list-style-type: none"> Any material issues raised by the most recent internal quality control review or peer review of the firm or by any inquiry or investigation by governmental or professional authorities within the past 5 years concerning an independent audit or audits carried out by the firm and any steps taken to deal with those issues. 	√				
8(iii)	<ul style="list-style-type: none"> All relationships between the external auditor and the Company 	√				
9	Establish and oversee a policy designating permissible non audit services that the External Auditor may perform for the Company, providing for pre-approval of those services by the committee and review all approvals and related fees at each meeting	√	√	√	√	
10	Actively engage in a dialogue with the auditor about any disclosed relationships or services that may impact the objectivity and independence of the auditor, and take appropriate action to oversee the independence of the external auditor.					√
11	Set clear hiring policies for the Company's hiring of employees or former employees of the External Auditor who were engaged in the Company's account, and ensure the policies comply with any regulations applicable to the Company.					√
Internal Audit						
12	Review and approve the appointment or the removal of the Group Internal Audit Director.					√
	Review the responsibilities, functions and performance of the Company's internal audit department including the following areas:					
13(i)	<ul style="list-style-type: none"> Group internal audit objectives 		√			
13(ii)	<ul style="list-style-type: none"> Risk assessment and evaluation systems. 		√			
13(iii)	<ul style="list-style-type: none"> Internal audit plans and progress against such plans 	√	√	√	√	
13(iv)	<ul style="list-style-type: none"> The resourcing of the internal audit function. 		√			
13(v)	<ul style="list-style-type: none"> The independence, performance and objectivity of internal audit 		√			

RESPONSIBILITIES OF THE COMMITTEE		When Performed (Calendar Year Audit Committee Meetings)				
		D E C	F E B	J U N E	A U G	As Rqd
Risk Management						
14(i)	Review the company's policies for risk assessment and risk management by:					
	<ul style="list-style-type: none"> Assessing the steps Management has taken to assess and control such risks to the Company 	√				
14(ii)	<ul style="list-style-type: none"> Reviewing the Company's business risk management framework and policy for risk appetite including the procedures for identifying strategic and business risks and controlling their financial impact on the Company and the operational effectiveness of the policies and procedures related to risk and control. 	√				
15	Enquire of Finance Management (including, when possible, local site management), the Internal Auditor, and the External Auditor about significant risks or exposures.	√	√	√	√	
16(i)	<ul style="list-style-type: none"> Review internal audit's analysis and independent appraisal of the adequacy and effectiveness of the company's risk management and internal control system in accordance with Principle 7 of the ASX Corporate Governance Principles 			√		
16(ii)	<ul style="list-style-type: none"> Review with the Group Internal Audit Director, the External Auditor and Finance Management the audit scope and plan, and coordination of audit efforts to ensure completeness of coverage and the effective use of audit resources. 	√		√		
Financial Reporting and Financial Risk Management						
17(i)	Consider and review with Finance Management, the External Auditor and the Internal Auditor:					
	<ul style="list-style-type: none"> The Company's annual assessment of the effectiveness of its internal controls over financial reporting and financial risk management and the External Auditor's attestation and report about the Company's assessment. 	√				
17(ii)	<ul style="list-style-type: none"> The adequacy of the Company's internal controls over financial reporting and financial risk management including computerized information system controls and security 	√				
17(iii)	<ul style="list-style-type: none"> Any related significant findings and recommendations of the External Auditor and Internal Auditor together with Management's responses. 	√				

RESPONSIBILITIES OF THE COMMITTEE		When Performed (Fiscal Year Audit Committee Meetings)				
		D E C	F E B	J U N E	A U G	As Rqd
18(i)	Review reports by Management on the systems of internal control over financial reporting and financial risk management, such review to include: <ul style="list-style-type: none"> The evaluation of the effectiveness of the processes and reporting systems put in place by Management to deal with inappropriate business conduct and ethics 			√		
18(ii)	<ul style="list-style-type: none"> The policies for ensuring compliance with relevant regulatory and legal requirements and in the case of financial statements, generally accepted accounting principles. 			√		
18(iii)	<ul style="list-style-type: none"> Arrangements for the protection of the Company's ownership of intellectual property and other non-physical assets 		√			
18(iv)	<ul style="list-style-type: none"> Policies and practices and systems for managing the impact of taxation on the Group 		√			
18(v)	<ul style="list-style-type: none"> The application of the principles of the ASX Corporate Governance Council. 		√		√	
18(vi)	<ul style="list-style-type: none"> Policies and practices for detecting, reporting and preventing fraud and serious breaches of business conduct. 	√		√		
18(vii)	<ul style="list-style-type: none"> Policies and practices for whistleblowing procedures and reporting to the Committee (Refer Whistleblowing Policy). 			√		√
18(viii)	<ul style="list-style-type: none"> The design, maintenance and effectiveness of disclosure controls and procedures over material information relating to the Group, including its consolidated subsidiaries, and how they are made known to the CEO and CFO by others within those entities. 			√		
18(ix)	<ul style="list-style-type: none"> Policies, information systems and procedures put in place by management for the preparation and dissemination of information to shareholders, stock exchanges and the financial community, including actions taken and compliance with continuous disclosure obligations. 			√		
19	Review with Management any reports issued by external consultants on risk assessment and risk management and discuss Management's response to such reports					√

Financial Reports						
RESPONSIBILITIES OF THE COMMITTEE		When Performed (Fiscal Year Audit Committee Meetings)				
		D E C	F E B	J U N E	A U G	As Rqd
	Review with Finance Management and the External Auditor at the completion of the Half Year and Full Year Audits:					
20(i)	<ul style="list-style-type: none"> The Company's half-year and annual financial statements and related footnotes. 		√		√	
20(ii)	<ul style="list-style-type: none"> The External Auditor's audit of the financial statements and its report thereon 		√		√	
20(iii)	<ul style="list-style-type: none"> Any significant changes required in the External Auditor's audit plan 		√		√	
20(iv)	<ul style="list-style-type: none"> Any serious difficulties or disputes with management encountered during the course of the audit and Management's response. 		√		√	
20(v)	<ul style="list-style-type: none"> Accounting Policy Decisions 		√		√	
20(vi)	<ul style="list-style-type: none"> Delegations of Authorities 			√		
21(i)	Consider and review with Finance Management and the External Auditor an accounting update considering accounting issues, policies and reporting standards that may have a material impact on the financial statements and disclosures.	√		√		
21(ii)	Evaluate at least annually the appropriateness of, and any changes to, accounting policies and practices.	√				
	Consider Management's review of and any changes to the policies and practices adopted by the Group, indicating the basis for judgements that have been made, and their effect on the financial statements of the Group. The review presented by Management will cover:					
21(iii)	<ul style="list-style-type: none"> Major estimates or judgmental areas/unusual transactions, including the financial impact of occupational health, safety, environment, community and legal issues. 	√				
21(iv)	<ul style="list-style-type: none"> Significant accounting issues 	√				
21(v)	<ul style="list-style-type: none"> Interpretation of accounting standards 	√				
22	Review policies and procedures with respect to transactions between the Company and officers and directors, or affiliates of officers or directors, or transactions that are not a normal part of the Company's business			√		√
	Consider and review with Finance Management					
23(i)	<ul style="list-style-type: none"> Significant findings of the Internal and External Auditors during the year and Management's responses. 	√	√	√	√	
23(ii)	<ul style="list-style-type: none"> Any difficulties encountered in the course of those audits, 	√	√	√	√	

23(iii)	including any restrictions on the scope of work or access to required information <ul style="list-style-type: none"> Any changes required in planned scope of their audit plan 	√	√	√	√	
24	Review and discuss with Finance Management and the External auditor any reports or communications submitted by the External Auditor.					√
25(i)	Evaluate and recommend to the Board for approval the draft financial statements, annual report and other related information, to shareholders and to the financial community in line with the annual and semi-annual reporting cycle, including earnings press releases and financial information provided to analysts. In addition with respect to external reporting:		√		√	
25(ii)	<ul style="list-style-type: none"> Assess whether external reporting by the Company is consistent with Committee members' information and knowledge and is adequate for shareholder needs. 		√		√	
25(iii)	<ul style="list-style-type: none"> Assess Management's processes supporting external reporting 		√		√	
26(i)	Review: <ul style="list-style-type: none"> Management's disclosure to the Committee and the External Auditor including identified changes in internal control over financial reporting. 		√		√	
26(ii)	<ul style="list-style-type: none"> The contents of the Chief Executive Officer and the CFO declarations and statements in relation to financial statements, financial records and internal controls under the Corporations. 		√		√	
General Monitoring of Financial and other Matters						
27	Review with the General Counsel legal and regulatory matters that may have a material impact on the financial statements, related Company compliance policies, and programs and reports received from regulators.					√
28(i)	Review and oversee procedures for: <ul style="list-style-type: none"> Receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters; and 					√
28(ii)	<ul style="list-style-type: none"> The confidential, anonymous submission of employee concerns regarding accounting or auditing matters including Whistleblowing policy matters and reports 					√
29	Consider the governance and internal control environment pertaining to separately listed companies/joint ventures and associates in which the Company has a significant investment	√				√
30	Meet with the External Auditor to discuss any matters the Committee or the external auditor believes should be discussed in executive session or privately with the Committee	√	√	√	√	
31	Meet with the Internal Auditor to discuss any matters the Committee or the Internal Auditor believes should be discussed in executive session or privately with the Committee	√	√	√	√	
32	Meet with CEO, CFO and Finance Management team to discuss any matters the Committee or Management believes should be discussed in executive session or privately with the Committee					√