

Audit Committee Charter

Purpose and Objective

The Audit Committee will assist the Board in fulfilling the following oversight responsibilities. The Audit Committee will review the financial reporting process, the system of internal control, management of financial risks and the audit process. In performing its duties, the Committee will maintain effective working relationships with the Board of Directors, management and the internal and external auditors. To perform his or her role effectively, each committee member will obtain an understanding of the detailed responsibilities of committee membership as well as the Company's business, operations and risks.

In addition to compliance with Section 201B of the Companies Act, Cap. 50, the SingTel Audit Charter has also incorporated the guidance notes from the Singapore Code of Corporate Governance and the Australian Securities Exchange Corporate Governance Principles and Recommendations, where applicable.

Authority

The Board authorises the Audit Committee to investigate any matter within its terms of reference and the Audit Committee shall have:

- Full access to and cooperation by management
- Full discretion to invite any director or executive officer to attend its meetings
- Direct access to the external auditors in the investigation of any matter within its terms of reference
- Reasonable resources to enable it to discharge its functions properly, including obtaining legal or other professional advice

Organisation

(i) Membership

- The Audit Committee shall comprise at least 3 members all of whom shall be non-executive directors and are not members of the Finance, Investment & Risk Committee.
- The Chairman of the Audit Committee, who shall be a director other than the Chairman of the Board of Directors of SingTel, will be nominated by the members of the Committee from time to time.
- The majority of the Audit Committee members, including the Chairman, shall be independent.
- At least two members of the Audit Committee shall have accounting or related financial management expertise or experience.

(ii) Meetings

- The Chairman shall convene a meeting of the Audit Committee upon the request of the external auditor. Special meetings may be convened as required by the Committee.
- The Group CEO, Group CFO and the Head of Internal Audit shall attend the Committee meetings. As and when appropriate, the Chairman may invite other staff or external parties to be present at the meetings.
- Meetings shall be convened not less than 4 times a year.
- The proceedings of the meetings shall be minuted and kept by Internal Audit and shall be produced for inspection upon request of any member of the Committee or the Board.
- A quorum for any meeting shall comprise 2 members.

Roles and responsibilities

(i) Internal Control

- To assist the Board in discharging its statutory and other responsibilities on internal controls, financial and accounting matters, operational and compliance controls, and business and financial risks management policies and systems, and to ensure that a review of the effectiveness of the same (which may be carried out by the external or internal auditors) is conducted at least annually.
- To appraise and report to the Board on the audit undertaken by the external auditors and internal auditors, the adequacy of disclosure of information and appropriateness / quality of the system of management and internal control.
- To approve changes or new policies related to its area of responsibility.

(ii) Financial Reporting

- To review and approve / recommend for approval the quarterly financial statements (including the annual financial statements and, in particular, any significant financial reporting issues and judgements to ensure the integrity of the financial statements), and any formal announcements relating to the Company's financial performance with management and the external auditors.

(iii) Internal and External Audit

- To review and approve the audit plans of the external and internal auditors in ensuring that audit resources are allocated according to the key business and financial risk areas, focusing on optimum coverage and efforts between the external and internal auditors.
- To review the external and internal auditors' evaluation of the system of internal accounting controls.
- To review the reports of the external auditors and internal auditors and consider the effectiveness of responses / actions taken by management on the audit recommendations and observations.
- To review the assistance given by management to the external and internal auditors.
- To review the cost effectiveness of the audit, the independence and objectivity of the external auditors annually, and the nature and extent of non-audit services supplied by the external auditors, seeking to balance the maintenance of objectivity and value for money.

- To recommend to the Board the appointment, reappointment or removal of the external auditors for the ensuing year, and to review and recommend for the approval of the Board the remuneration and terms of engagement of the external auditors.
- To review and approve the Internal Audit Charter and, at least annually, the adequacy of the internal audit function.
- To ensure that the internal audit function is adequately resourced and has appropriate standing in SingTel.
- The Audit Committee shall meet with the external auditors, and with the internal auditors, respectively, without the presence of management, at least annually.

(iv) Whistleblowing Arrangements

- To review arrangements by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters, and to ensure that there is independent investigation of such matters and appropriate follow-up actions.

(v) Other Responsibilities

- To report to the Board on decisions taken and make recommendations to the Board for its approval when this is deemed necessary.
- To approve certain transactions under the Shareholders Mandate relating to interested person transactions established for the purposes of Chapter 9 of the Listing Manual.
- Functionally, the Vice President Audit reports to the Audit Committee; in the first instance through the Chairman of the Audit Committee.