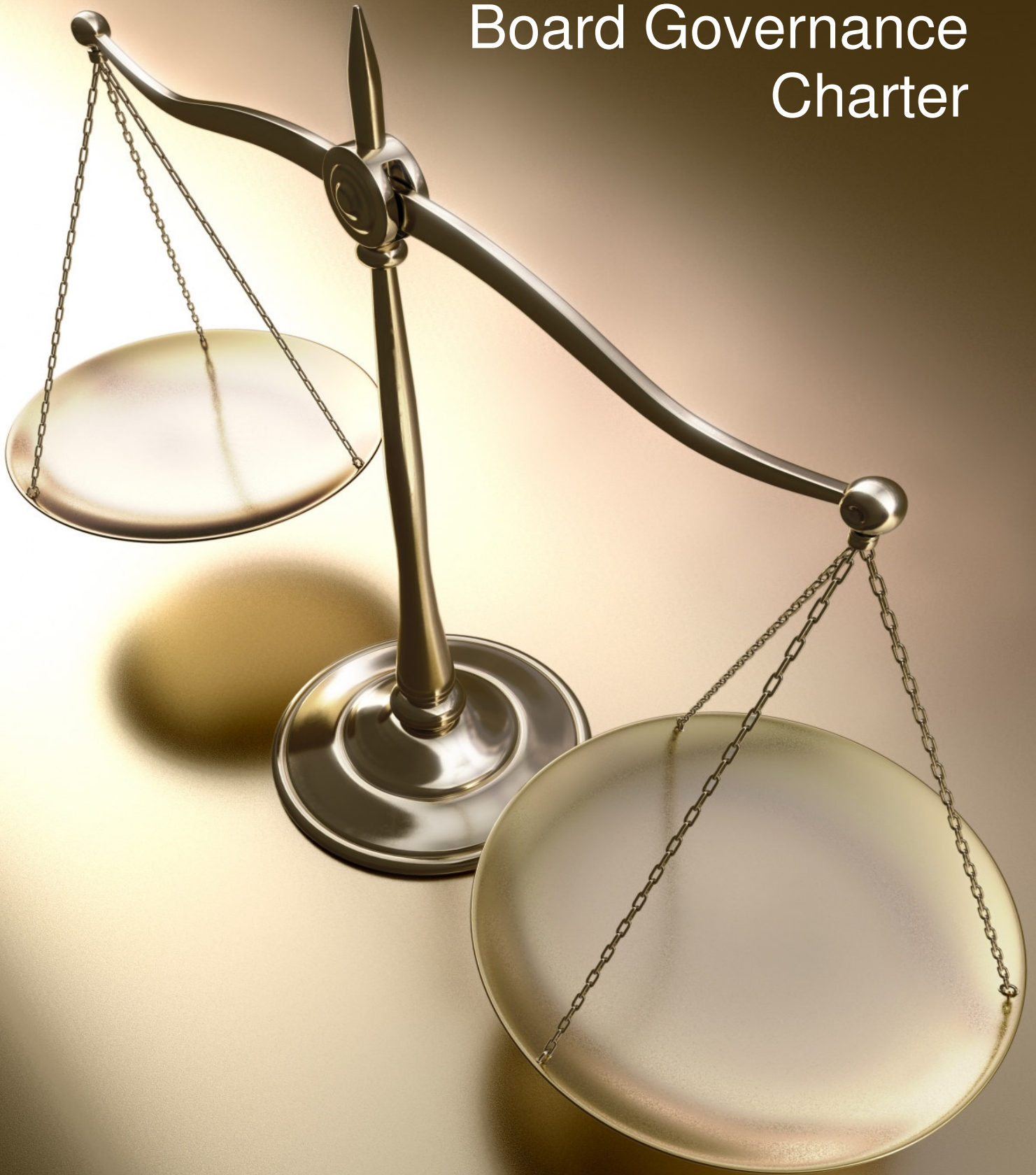


Board Governance Charter



AWB Group

Updated 22 June 2010



Version control

Policy description	This charter has been developed and approved by the Board of AWB Limited to outline the manner in which the Board discharges its responsibilities in pursuit of the corporate objectives.
Policy applies to	The Board of AWB Limited and its Committees Employees of the AWB Group
Policy type	AWB Group
Owner	Peter Patterson, General Counsel and Company Secretary
Version	2.0
Revision dates	V1.0 – policy adopted by the AWB Limited Board on 24 March 2009 V2.0 - policy reformatted on 22 June 2010
Publishing	22 June 2010

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1. Role of the Board

- 1.1 The Board is appointed by the shareholders to promote and protect the interests of the Company.
- 1.2 The Board is responsible for the direction of the Company and for determining the corporate objectives which are the foundation for all the actions and decisions of the Board and management.
- 1.3 The Board delegates responsibility for day-to-day management of the Company to the Managing Director, but retains responsibility to the shareholders for the overall strategy, governance and performance of the Company.
- 1.4 The Board does not participate in the day-to-day affairs or management of the Company.
- 1.5 Where appropriate, the Board is assisted in the discharge of its responsibilities by Board Committees. The role of Board Committees is to advise and make recommendations to the Board. Committees do not have the power to make decisions with respect to the management of AWB's business and affairs except as expressly defined by the Board in the Committee's Charter or otherwise.

2. Relationship between the Board and Management

2.1 Overview

- (a) Subject to the specific decision making authority retained by the Board under this Charter (summarised in section 18) and the formal delegations of authority contained in the Management Authorisations Policy, the Board has conferred on the Managing Director all the powers of the Directors with respect to the management of the business of the Company including the general responsibility for the operation and management of the Company.
- (b) These powers are conferred along with, and are not to the exclusion of, the powers of the Directors.
- (c) The Managing Director is accountable to the Board for the exercise of the delegated authority, and with the support of senior management, is to demonstrate the progress to fulfil this responsibility through the provision of reports, briefings and presentations on a regular basis throughout the year.
- (d) The Board's emphasis is on receiving high quality, succinct and focussed reporting and clear, reasoned, concise decision papers. The Board expects management reporting to be timely, candid and to provide an appropriately comprehensive picture of the performance of the Company, the key decisions made by management and to assist the Board's decisions (where they are required) by presenting details of alternatives considered and rejected and the reasons why.
- (e) The Board adopts appropriate structures and procedures to ensure it retains its independence and functions independently of management. This includes the separation of the roles and responsibilities of the Chairman and the Managing Director and the non-executive Directors' meeting in the absence of management on a regular basis.

2.2 Access

Directors have complete access to AWB's senior management through the Chairman, Managing Director or Company Secretary at any time. In addition to regular presentations by

senior management to Board meetings, Directors may seek briefings from senior management on specific matters.

2.3 Nominee Directors of Subsidiaries, Related Entities

The governance of subsidiaries and controlled entities is formalised through a Company policy on appointment, conduct and indemnification of AWB Nominee Directors which sets out the circumstances in which Nominee Directors are required to comply with AWB's directions, consult with the AWB Board and senior management.

3. Board Membership

3.1 Size and Composition

- (a) The Constitution provides for a minimum of 3 Directors. The maximum number of Directors is to be fixed by the directors, but may not be more than 9 unless the Company in general meeting resolves otherwise. The Directors must not determine a maximum which is less than the number of Directors in office at the time the determination takes effect.
- (b) It is the Board's policy that the Managing Director is the only executive Director.
- (c) It is the Board's policy that the non-executive Directors should also be independent Directors. The Board's definition of independence is provided in section 13 of this Charter.

3.2 Tenure

- (a) The tenure of the Managing Director as a Director is linked to his/her executive office. Under rule 3.7 of AWB's Constitution, no other Director may hold office for more than three years or beyond the third AGM following the Director's appointment (whichever is the later) without re-election.
- (b) In accordance with the ASX Listing Rules, the Company must hold an election of Directors each year.
- (c) Prior to each annual general meeting, the Board will determine if the Board will recommend to the shareholders that they vote in favour of the re-election of the Directors due to stand for re-election, having regard to those Directors annual performance reviews and any other matters it considers relevant.
- (d) A new Director, appointed by the Board, is subject to re-election at the next annual general meeting following his/her appointment.
- (e) It is the Board's policy that a Director (other than the Managing director) may serve for a maximum period expiring at the conclusion of the 9th consecutive annual general meeting following the director's initial appointment. However, a Director who has acted as Chairman during that period may hold office until the 12th consecutive annual general meeting following the Director's initial appointment.

3.3 Induction and Training

- (a) All new Directors appointed to the Board undertake an induction program co-ordinated by the Company Secretary to assist them in fulfilling their duties and responsibilities. Management will conduct additional presentations and tutorial sessions for Directors, as appropriate, regarding AWB, the factors impacting, or likely to impact, on its businesses, and to assist non-executive Directors in gaining a broader understanding and knowledge of AWB.

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- (b) Directors are expected to undertake any necessary continuing professional education to enable them to discharge their duties. Management will brief the Board on relevant changes in the legislative, regulatory or industry framework.
- (c) Directors are given the opportunity to attend technical or professional development courses to assist them in keeping up to date with relevant issues.

3.4 Conduct

Each Director is:

- (a) Bound by AWB's Business Principles + Ways of Working policy.
- (b) Required to comply with terms and conditions of any arrangements or company policies specifically involving them.
- (c) To comply with the terms of their appointment.

4. Board Meetings

- 4.1 Board meetings and meetings of the non-executive Directors (held in the absence of management), are held on a regular basis, as determined annually in advance by the Board.
- 4.2 Directors are required to be fully prepared for and make every reasonable effort to attend each meeting of the Board and the Committees of which they are a member.
- 4.3 In the absence of the Chairman or a Deputy Chairman (if appointed), the Directors present will elect one of their number as chairman of that meeting.
- 4.4 Meetings and proceedings of the Board are governed by the relevant provisions of the Constitution.
- 4.5 The agenda for each meeting is determined by the Chairman in consultation with the Managing Director and Company Secretary.
- 4.6 Any Director may approach the Chairman and request that a particular item is added to the agenda for a meeting.
- 4.7 The Chief Financial Officer and Company Secretary attend Board meetings by standing invitation but may be asked to leave at any time.
- 4.8 The Board may invite such other persons to its meetings or part thereof, as it deems necessary or appropriate. However, if a person has a material personal interest in a matter that is being considered at a meeting, he/she must not be present for consideration of that matter.
- 4.9 The agenda and supporting papers are to be delivered to the Directors by the Company Secretary at least seven days in advance of each meeting. Late papers may be submitted with the consent of the Chairman.
- 4.10 Reports and other papers of Board Committees are available to all Directors, subject to the rules in relation to Conflict of Interest set out in this Charter.
- 4.11 All Directors and other attendees at Board meetings are, as officers and/or fiduciaries, required to keep all information presented to (whether written or oral) or discussed at Board meetings confidential and only use and disclose the information in the proper discharge of their duties to the Company.

- 4.12 All Board papers are to be returned by the Directors to the Company Secretary at the conclusion of each meeting. Directors may access Board papers at any time in accordance with their Deed of Access and Indemnity.

5. Minutes

- 5.1 Minutes are prepared for each Board meeting.
- 5.2 The draft minutes of each Board meeting are to be reviewed by the Chairman and circulated to all Directors by the Company Secretary as soon as practicable but no later than the distribution date for papers for the next Board meeting at which the minutes of the meetings are to be confirmed.

6. Role of the Chairman

- 6.1 The Chairman is an independent Director and is appointed by the Board.
- 6.2 The Chairman's principal responsibilities are to ensure that the Board fulfils its obligations under this Charter and as required under relevant legislation and to provide appropriate leadership to the Board.
- 6.3 The Chairman also has specific responsibility to:
- (a) Represent the views of the Board to all shareholders.
 - (b) Establish the timetable and work with the Managing Director and Company Secretary to agree the agenda for Board meetings.
 - (c) Chair Board meetings, non-executive directors' meetings and shareholders' meetings.
 - (d) Facilitate Board and non-executive directors meetings to ensure:
 - (i) the discussions are conducted in an open and professional manner where Directors are encouraged to express their views.
 - (ii) the core issues facing AWB are addressed.
 - (e) Work with the Managing Director to ensure the Managing Director provides the Board with the information it requires to contribute effectively to the Board decision making process and to monitor the effective implementation of Board decisions.
 - (f) Maintain a regular dialogue and mentoring relationship with the Managing Director and senior management, serving as a primary link between the Board and management and providing continuity between Board decisions.
 - (g) Ensure that meetings of shareholders are conducted in an open and proper manner with appropriate opportunity to ask questions.

7. Role of the Managing Director

- 7.1 The Managing Director, together with the senior management team, is responsible to the Board for the development and implementation of strategy and overall management and performance of AWB.
- 7.2 The Managing Director manages the organisation in accordance with the strategy, business plans and policies approved by the Board to achieve the corporate objective and the goals and targets included therein.

7.3 The Managing Director's performance is assessed in light of the achievement of those goals, targets and other agreed performance indicators.

8. Role of the Company Secretary

8.1 The Board is supported by the Company Secretary who is responsible for:

- (a) Organising Board meetings, preparing agendas and preparing Board packs.
- (b) Reinforcing the Board's requirements in relation to the quality, completeness and timeliness of Board papers and associated information.
- (c) Monitoring completion of actions arising from meetings.
- (d) Providing governance, administration, technical, telecommunications and other support to the Chairman, the Directors and each of the Board Committees.
- (e) Retaining independent professional advisors at the request of the Board or a Board Committee.
- (f) Providing a point of reference for dealings between Board and Management.
- (g) Attending to the statutory requirements relating to AWB's registered office, annual returns and lodgement of other documents with ASIC and the ASX.

9. Responsibilities

9.1 The Board has agreed that in performing its role, its responsibilities include, but are not limited to:

- (a) Strategy
 - (i) Providing strategic direction to AWB by defining the corporate objectives, approving the corporate strategy and associated performance objectives and monitoring developments.
 - (ii) Approving the strategic and business plan including operating and capital expenditure budgets.
 - (iii) Decision-making in relation to significant matters of a sensitive, extraordinary or strategic nature including:
 - significant acquisitions, and disposals, capital management issues and significant internal restructures
 - approving business cases covering investment or expenditure initiatives with direct or indirect exposure to AWB above the Managing Director's delegated approval threshold.
- (b) Governance
 - (i) Overseeing the review and update of corporate governance practices and procedures as necessary.
 - (ii) Monitoring and influencing AWB's culture, reputation and ethical standards, including making an annual review of the AWB Business Principles + Ways of Working policy.

- (iii) Driving Board succession planning, including planning for the succession of the Chairman, based on recommendations from the Nomination Committee, to ensure membership of the Board is skilled and appropriate for AWB's needs.
 - (iv) Overseeing shareholder reporting and communications.
 - (v) Overseeing the work of Board Committees and attending to matters referred to it by those Committees.
 - (vi) Approving the Board's delegations of authority to the Managing Director, AWB's internal and external delegations of authority to management and general and specific powers of attorney.
 - (vii) Determining the remuneration of Directors within the limits approved by shareholders.
 - (viii) Reviewing the policy, procedures and processes for meeting AWB's continuous disclosure obligations.
- (c) Senior Executive Appointments, Performance and Remuneration
- (i) Appointing, assessing the performance of, determining the remuneration and, should it be necessary, terminating the employment of the Managing Director.
 - (ii) Approving the appointment and, should it be necessary, the termination of the employment of the Chief Financial Officer, General Counsel and Company Secretary.
 - (iii) Reviewing management succession and development plans.
- (d) Financial
- (i) Overseeing AWB's financial position including the quantum, nature and term of its debt facilities and its ability to meet its debts as and when they fall due.
 - (ii) Approving the annual financial statements, the half year financial report, the accounting policies upon which the statements are based, the directors report and key elements of other related, regulatory filings.
 - (iii) Overseeing AWB's external audit and internal audit activities.
 - (iv) Overseeing approvals in relation to related party transactions.
 - (v) Determining AWB's dividend policy and declaring dividends.
 - (vi) Approving decisions concerning the capital of AWB, including capital restructures, capital returns and share buy backs.
- (e) Risk Management
- (i) Determining the risk profile of the Company.
 - (ii) Monitoring the integrity of internal control and reporting systems.

- (iii) Monitoring strategic risk management systems, including reviewing of processes for identifying areas of significant business risk, monitoring risk management policies and procedures, the implementation of appropriate systems to manage these risks and oversight of internal controls.
 - (iv) Reviewing and monitoring processes for the documentation, regular review and updating of AWB's risk profile.
- (f) Compliance
 - (i) Reviewing key supporting policies governing the operations of AWB, monitoring the effectiveness of those policies and the AWB Business Principles and overseeing AWB's compliance with them.
 - (ii) Requiring appropriate compliance frameworks and controls to be in place and operating effectively for compliance with relevant laws, regulations and industry codes.
 - (iii) Encouraging the reporting of unlawful and unethical behaviour and ensuring that, where violations are reported in good faith, the protections set out in the relevant policies are provided.
 - (iv) Obtaining independent legal advice from or through the General Counsel on compliance and other issues relevant to the Board's function.
 - (v) Building trust in AWB through consistent behaviour, transparency and accountability and commitment to the AWB Values, the AWB Business Principles + Ways of Working policy.

10. Committees

- 10.1 The Board may from time to time establish appropriate Committees of Directors to assist it by focussing on specific responsibilities in greater detail than is possible for the Board as a whole, reporting to the Board and making any necessary recommendations.
- 10.2 There are three standing committees:
 - (a) Audit Committee
 - (b) Risk Committee
 - (c) Nomination and Remuneration Committee
- 10.3 It is a Board requirement that all members of the Committees are independent Directors.
- 10.4 Each formally constituted Committee has a written Charter, approved by the Board. The Charters for each of the Committees are detailed in sections 19 – 21 of this Charter.
- 10.5 The specific membership requirements of each Committee are set out in the relevant Charter.
- 10.6 Formal minutes of each Committee meeting are prepared and circulated to the Directors. A verbal report is also provided to the next Board meeting.
- 10.7 Where a committee meeting is necessarily held a short time in advance of a Board meeting, the Chairman of the Committee makes a verbal report at that meeting. The minutes will be distributed in advance of the next Board meeting.

10.8 The Board has sole responsibility for the appointment of Directors to Committees and expects that, over time, the Directors may rotate on and off various Committees taking into account the needs of the Committees and the experience of the individual Directors.

10.9 The role, function, charter, performance and membership of each Committee are reviewed on an annual basis.

11. Declaration of Interests

11.1 Directors are required to take all reasonable steps to avoid actual, potential or perceived conflicts of interest.

11.2 The Corporations Act 2001 and AWB's Constitution require Directors to disclose any conflicts of interest and, in certain circumstances, to abstain from participating in any discussion or voting on matters in which they have a material personal interest.

11.3 In addition, the board has developed procedures to be followed by a Director who believes he or she may have a conflict of interest or material personal interest. Generally speaking a Director:

- (a) Must disclose to the Board any actual or potential conflicts of interest which may exist or might reasonably be thought to exist as soon as they arise.
- (b) Must, if deemed appropriate by the Board or the Director, take such steps as are necessary and reasonable to resolve any conflict of interest within an appropriate period.
- (c) Should not receive the relevant Board papers if the actual or potential conflict is recognised in advance of the distribution of the papers.
- (d) Must absent themselves from the room when the Board discusses and votes on matters to which the conflict relates.

11.4 It is expected that a Director would inform the Chairman, through the Company Secretary, of any related party transactions other than personal and domestic dealings with AWB on normal commercial terms and conditions. Related party transactions should be reported in writing to the Company Secretary, and where appropriate, raised for consideration at the following Board meeting.

12. General Meetings

12.1 AWB encourages effective communication with shareholders and their effective participation at general meetings and has strategies in place to effect this.

12.2 Directors are expected to attend the Annual General Meeting.

13. Definition of Independence

13.1 An independent director is independent of management and free of any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of their unfettered and independent judgement.

13.2 When assessing the independence of a non-executive director the Board will take the following matters into account. Failure to meet one of the following matters will not automatically mean that the director is not independent. The Board will consider all relevant facts and circumstances when making its decision.

- (a) Whether the director is a substantial shareholder (as defined in the Corporations Act) of the Company, or is a director or officer of a substantial shareholder of the Company.
- (b) Whether the director has been employed by the Company in any capacity within the last 3 years.
- (c) Whether, within the last 3 years, the director has been a director, officer or employee of a body which has provided professional services to the Company where the fees paid to that body by the Company have exceeded \$100,000 in any one of the last 3 years.
- (d) Whether the director (or an immediate family member of the director) is a material supplier to, or material customer of the Company, or is an officer of a body that is a material supplier to or customer of the Company. For the purposes of this clause a material supplier is one where the Company accounts for more than 20% of the supplier's annual consolidated revenue. A material customer is one where the customer accounts for more than 5% of the Company's consolidated revenue in any one year.
- (e) Whether the director (or an immediate family member of the director) has any material contractual relationship with the Company or any of its subsidiaries. A material contractual relationship is one where the total value of the contract exceeds \$1,000,000.

14. Access to Independent Professional Advice

- 14.1 The Board has the authority to conduct or direct any investigation required to fulfil its responsibilities and has the ability to retain, at AWB's expense, such legal, accounting or other advisers, consultants, or experts as it considers necessary from time to time in the performance of its duties.
- 14.2 Each Director has the right to seek independent professional advice at AWB's expense, subject to the prior approval of the Chairman. This advice shall generally be made available to all other Directors.
- 14.3 All Committees of the Board have access to independent professional advice on this basis.

15. Evaluating Performance

The Board will undertake an annual assessment of its performance including its performance against the requirements of its Charter, the performance of individual Committees and the performance of individual Directors.

16. Review and Publication of the Board Governance Charter

- 16.1 The Board will review and assess the adequacy of the Board's Governance Charter annually and make any appropriate revisions.
- 16.2 A copy of this Charter (which includes Charters of Board Committees) is available on the internet.

17. Inconsistency with Constitution

- 17.1 To the extent that there is any inconsistency between this Charter and the Constitution, the Constitution will prevail.

18. A summary of matters for decision reserved for the Board

- 18.1 Providing strategic direction to AWB by defining the corporate objective, approving the corporate strategy and associated performance objectives, monitoring developments and approving any variations thereto.
- 18.2 Approving the annual corporate plan including operating and capital expenditure budgets.
- 18.3 Decision making in relation to significant matters of a sensitive, extraordinary or strategic nature including:
- (a) Significant acquisitions, and disposals, capital management issues and significant internal restructures
 - (b) Approving business cases covering investment or expenditure initiatives with direct or indirect exposure to AWB above the Managing Director's delegated approval threshold.
- 18.4 Planning Board succession, based on recommendations from the Nomination Committee, to ensure membership of the Board is skilled and appropriate for AWB's needs.
- 18.5 Approving the Board's delegation of authority to the Managing Director, AWB's internal and external delegations of authority to management and general and specific powers of attorney.
- 18.6 Determining the remuneration of Directors.
- 18.7 Appointing, assessing the performance of, determining the remuneration and, should it be necessary, terminating the employment of the Managing Director.
- 18.8 Approving the appointment, and should it be necessary, the termination of the employment of the Chief Financial Officer, General Counsel and Company Secretary.
- 18.9 Approving the annual financial statements, the half year financial report, the accounting policies upon which the statements are based, the directors report and key elements of other related, regulatory filings.
- 18.10 Determining AWB's dividend policy and declaring ordinary and special dividends.
- 18.11 Approving decisions concerning the capital of AWB, including capital restructures, capital returns and share buy backs.
- 18.12 Determining the number, role, responsibilities and membership of Board Committees.
- 18.13 Approving the Charters for the Board and Board Committees.
- 18.14 In addition, the Managing Director may not, without the written authorisation of the Board, exercise any power which involves:
- (a) Approval of a proposal for AWB or any subsidiary to do any of the following with a transaction value over the capex limit set by the Board in the Management Authorisations Policy (unless the action occurs between wholly-owned subsidiaries that are parties to the ASIC Class Order Deed of Cross Guarantee in which case Board approval is not required):
 - (i) form a company or participate in the formation of a company,

- (ii) participate in a partnership, trust, unincorporated joint venture or similar arrangement,
 - (iii) acquire or dispose of a shareholding in a company,
 - (iv) acquire or dispose of a business,
 - (v) commence or cease a business activity,
 - (vi) make a change in the nature or extent of its interests in a partnership, trust, unincorporated joint venture or similar arrangement.
- (b) Equity divestments over the limit set by the Board (other than transactions wholly within the AWB group)
 - (c) Equity investments over the limit set by the Board (other than transactions wholly within the AWB group)
 - (d) Transactions resulting in revenue, operating expenditure, capital expenditure or borrowings materially different to the total amounts for those items contemplated by the relevant annual corporate plan
 - (e) Expenditure on an individual project over the limits set by the Board
 - (f) Capital management initiatives including payment of dividends, share issues and buy backs and returns of capital
 - (g) Related party transactions which would require disclosure in the annual report of shareholder approval
 - (h) Matters expressly reserved to the Board or one of its Committees in their respective charters (for example, appointment of an external auditor and remuneration of some senior executives)
 - (i) Any other matter which the Managing Director considers ought to be approved by the Board or which the Board asks to be brought to it for approval
 - (j) Transactions imposing personal obligations on directors.

19. Audit Committee Charter

19.1 Purpose of Charter

This Audit Committee Charter sets out the membership, responsibilities, authority and operation of the Audit Committee of AWB Limited (AWB).

19.2 Authority

The Committee is appointed and authorised by the Board of AWB to assist the Board in fulfilling its responsibilities. As such, the Committee exercises the authority and power delegated to it by the Board.

The Committee has the authority to conduct or direct any investigation required to fulfil its responsibilities and has the ability to retain, at AWB's expense, such legal, accounting or other advisers, consultants or experts as it considers may be necessary from time to time in the performance of its duties.

19.3 Composition

Members of the Committee are appointed by the Board. The Chairman of the Board shall recommend the appointment or reappointment of each member of the Committee.

Only non-executive directors may be members of the Committee. The Committee is to be composed of at least three members the majority of whom must be independent.

A quorum shall be two members.

Having regard to the operational, financial and strategic risk profile of the Group, it is appropriate that members of the Committee have a diverse range of backgrounds, skills and experiences. All members of the Committee shall be financially literate and at least one member shall have financial expertise.

19.4 Chairman

The Chairman of the Committee must be a non-executive Director of the Board and shall be eligible for re-appointment annually by the Board. The Chairman of the Committee should not also be the Chairman of the Board.

Should the Chairman be absent for all or part of a meeting, a designated member of the Committee shall deputise for the Chairman.

19.5 Term

Each member shall be appointed for a term of 12 months. The performance of each Committee member shall be reviewed annually by the Chairman of the Committee in conjunction with the Chairman of the Board.

It is expected that no Committee member should serve on the Committee for a period of more than six years.

Periodic rotation of members' appointments is to be encouraged. However, no more than one member should leave the Committee pursuant to rotation in any one year.

19.6 Meetings

Committee members may attend meetings in person or by electronic means.

The Committee should meet at least four times per year with such other meetings to be called as may be necessary from time to time.

In addition, the Chairman may call a meeting at any time and will call a meeting of the Committee if so requested by any member of the Committee or by the Chairman of the Board.

19.7 Attendance at Meetings

The Managing Director, Chief Financial Officer and Chief Risk Officer shall attend each meeting of the Committee.

Any other members of management and/or parties external to AWB may be invited to attend any meeting of the Committee or part thereof.

The AWB Limited Company Secretary (or his or her nominee) shall act as Secretary of the Committee.

19.8 Direct Access

Direct access to the Committee shall be provided to executive management via the committee Secretary or Chairman.

Outside of Committee meetings, the Committee will have unfettered access to relevant executives, although the Chairman of the Committee will normally keep the Chief Financial Officer and Chief Risk Officer fully informed of any such dialogue.

19.9 Duties and Responsibilities

The primary responsibilities of the Audit Committee are to review the integrity of the Company's financial reporting and to oversee the independence of the external auditor. Review of risk management and internal compliance and control systems is the responsibility of the Risk Committee.

Specific responsibilities include:

(a) Audit Services

- (i) advise the Board on a policy for, and application of, the appointment, terms of engagement, and/or termination/retirement of the external auditor, including the criteria for appointment and annual performance review;
- (ii) advise the Board on the engagement and termination of services of the internal auditors, including the criteria for appointment, and undertake annual performance review;
- (iii) consider the independence of the external auditors on an ongoing basis, including duration of the appointment, the last dates of rotation of audit partners and analysis of fees paid, in particular materiality of fees for non audit services and the nature of non audit services;
- (iv) review and where appropriate, endorse the approval of non audit services to be performed by the external auditors;
- (v) review and where appropriate, endorse the approval of non-audit services to be performed by the internal auditors;
- (vi) review and approve both internal and the external audit plans, their scope and progress, and any significant changes to them, including any difficulties or restrictions on scope of activities, or significant disagreements with management; and
- (vii) review and where appropriate endorse the recommendations of the internal and external auditors, and monitor Management's implementation of any recommendations.

(b) Financial Reporting

- (i) review and recommend to the Board for approval all external financial reporting of the Company prior to release;
- (ii) review and monitor policy for related party transactions, including adequacy of disclosure;
- (iii) review and monitor other unusual transactions;

- (iv) review and assess the reliability and integrity of the management and financial information systems and policies including relevance, adequacy and timeliness of information provided to the Board and effectiveness of the overall control framework;
 - (v) monitor processes for dealing with complaints or submissions to the Company about financial, internal control, or audit matters; and
 - (vi) review and monitor the process for, and provide an avenue for dealing with, confidential staff complaints concerning any financial control or risk related matter.
- (c) Other duties and responsibilities are:
- (i) meet privately on a regular basis with the Chief Financial Officer and the Chief Risk Officer;
 - (ii) in consultation with the Managing Director recommend to Board the appointment (and thereafter monitor his/her performance) and, if relevant, dismissal of the Chief Financial Officer;
 - (iii) examine any other matters referred to it by the Board;
 - (iv) refer in writing to the Risk Committee any matters that have come to the attention of the Committee that it considers are relevant for the Risk Committee;
 - (v) meet privately with the internal and external auditors.

19.10 Reporting and Assessment

The Committee, through its Chairman, reports to the Board at the earliest possible Board Meeting after each Committee meeting, any matters that should be brought to the attention of the Board, and any recommendations requiring Board approval and/or action. Minutes are to be kept of all Committee meetings and circulated to the Board.

At least annually, a review of the Charter and its continuing adequacy shall be performed together with an evaluation of the Committee's performance as it relates to the requirements of the Charter.

20. Nomination & Remuneration Committee Charter

20.1 Purpose of Charter

This Remuneration and Nomination Committee Charter sets out the membership, responsibilities, authority and operation of the Remuneration and Nomination Committee of AWB Limited (AWB).

20.2 Authority

The Committee is appointed and authorised by the Board of AWB to assist the Board in fulfilling its responsibilities. As such, the Committee exercises the authority and power delegated to it by the Board.

The Committee has the authority to conduct or direct any investigation required to fulfil its responsibilities and has the ability to retain, at AWB's expense, such legal, accounting or other advisers, consultants or experts as it considers may be necessary from time to time in the performance of its duties.

20.3 Composition

Members of the Committee are appointed by the Board and must be non-executive directors only. The Chairman of the Board shall recommend to the Board the appointment or reappointment of each member of the Committee.

The Committee is to be composed of at least three members, at least one of whom shall be the Chairman of the Board.

A quorum shall be two members.

Having regard to the operational and financial profile of AWB, it is appropriate that members of the Committee have a diverse range of backgrounds, skills and experiences.

20.4 Chairman

The Chairman of the Committee shall be appointed by the Board and shall be eligible for re-appointment annually by the Board.

Should the Chairman be absent for all or part of a meeting, a designated member of the Committee shall deputise for the Chairman.

20.5 Term

Each member shall be appointed for a term of 12 months. The performance of each Committee member shall be reviewed annually by the Chairman of the Committee in conjunction with the Chairman of the Board.

It is expected that no Committee member should serve on the Committee for a period of more than six years. Periodic rotation of members' appointments is to be encouraged. However, no more than one member should leave the Committee pursuant to rotation in any one year.

20.6 Meetings

Committee members may attend meetings in person or by electronic means. The Committee should meet at least three times per year with such other meetings to be called as may be necessary from time to time.

In addition, the Chairman may call a meeting at any time and will call a meeting of the Committee if so requested by any member of the Committee or by the Chairman of the Board.

20.7 Attendance at Meetings

The Managing Director shall attend each meeting of the Committee.

Any other members of management and/or parties external to AWB may be invited to attend any meeting of the Committee or part thereof.

The Company Secretary shall be appointed Secretary of the Committee.

20.8 Direct Access

Direct access to the Committee shall be provided to executive management via the committee Secretary or Chairman.

Outside of Committee meetings, the Committee will have unfettered access to relevant executives, although the Chairman of the Committee will normally keep the Managing Director fully informed of any such dialogue.

20.9 Reporting and Assessment

The Committee, through its Chairman, reports to the Board at the earliest possible Board Meeting after each Committee meeting, any matters that should be brought to the attention of the Board, and any recommendations requiring Board approval and/or action. Minutes are to be kept of all Committee meetings and circulated to the Board.

At least annually, a review of the Charter and its continuing adequacy shall be performed together with an evaluation of the Committee's performance as it relates to the requirements of the Charter.

20.10 Duties and Responsibilities

- (a) The Committee is responsible for the following Nomination matters:
- (i) to annually review the Board's mix of skills and experience;
 - (ii) to advise and recommend to the Board prospective candidates for position of Director;
 - (iii) interview candidates for election to the Board;
 - (iv) to advise the Board on a process for regularly assessing the effectiveness of the Board as a whole;
 - (v) to review Board succession plans, including identifying and recommending succession of the position of Chairman of the Board;
 - (vi) to advise the Board on the appointment of potential successors to the Managing Director;
 - (vii) to develop and implement a process for the orientation and education of new directors;
 - (viii) to review management's recommendation and advise the Board on succession plans for executives reporting to the Managing Director and the Chairman;
- (b) The Committee is responsible to review and recommend to the Board for approval the following Remuneration matters:
- (i) the remuneration of non-executive directors;
 - (ii) the Managing Director's remuneration, including fixed pay, short term incentive and long term incentive;
 - (iii) any changes to the Company's Remuneration Policy;
 - (iv) the Incentive [Bonus] Pool for all employees;
 - (v) recruitment, retention and termination policies and procedures for senior management;

- (c) The Committee is responsible for reviewing and approving prior to implementation, for executives reporting to the Managing Director or the Chairman:
 - (i) contract terms;
 - (ii) starting remuneration and annual salary review increases;
 - (iii) incentive, retention or one off bonus payments;
 - (iv) termination payments in excess of applicable contractual entitlements;
 - (v) key result areas, and incentive plan measures.
- (d) In relation to any employee share plans (including exempt or deferred share plans, loan plans and performance rights plans) (“the Plans”) the Committee is authorised to:
 - (i) Approve the issue of AWB securities in accordance with the rules of Plans;
 - (ii) Approve all forms and other documents necessary or desirable for the administration of the Plans;
 - (iii) Do anything necessary or desirable to give effect to the Plans;
 - (iv) Delegate to any person or committee the power to approve and authorise the issue of all offer documents, forms or other documents and to do all such other acts as may be necessary or desirable for the administration of the Plans;
 - (v) review the participants in the Plans as approved by the Managing Director.
- (e) The Committee may review and recommend to the Board for approval:
 - (i) the policy in relation to the use of the Plans;
 - (ii) the performance hurdles to be applied under any of the Plans;
 - (iii) the power to remove the trustee of the Plans and appoint a new trustee or determine that the trust be wound up;
 - (iv) the power to amend the respective Plans;
 - (v) the introduction of any new Plan;
 - (vi) the power to suspend the operation of the respective Plans and to cancel the respective Plans at any time; and
 - (vii) the participation by the Managing Director in any of the Plans.

21. Risk Committee Charter

21.1 Purpose of Charter

This Risk Committee Charter sets out the membership, responsibilities, authority and operation of the Risk Committee of AWB Limited (AWB).

21.2 Authority

The Committee is appointed and authorised by the Board of AWB to assist the Board in fulfilling its responsibilities. As such, the Committee exercises the authority and power delegated to it by the Board.

The Committee has the authority to conduct or direct any investigation required to fulfil its responsibilities and has the ability to retain, at AWB's expense, such legal, accounting or other advisers, consultants or experts as it considers may be necessary from time to time in the performance of its duties.

21.3 Composition

Members of the Committee are appointed by the Board. The Chairman of the Board shall recommend the appointment or reappointment of each member of the Committee. Only non-executive Directors may be members of the Committee.

The Committee is to be composed of at least three members. A quorum shall be two members.

Having regard to the operational, financial and strategic risk profile of the Group, it is appropriate that members of the Committee have a diverse range of backgrounds, skills and experiences.

21.4 Chairman

The Chairman of the Committee must be a non-executive Director of the Board and shall be eligible for re-appointment annually by the Board. The Chairman of the Committee should not also be the Chairman of the Board.

Should the Chairman be absent for all or part of a meeting, a designated member of the Committee shall deputise for the Chairman.

21.5 Term

Each member shall be appointed for a term of 12 months. The performance of each Committee member shall be reviewed annually by the Chairman of the Committee in conjunction with the Chairman of the Board.

It is expected that no Committee member should serve on the Committee for a period of more than six years.

Periodic rotation of non-executive members' appointments is to be encouraged. However, no more than one non-executive member should leave the Committee pursuant to rotation in any one year.

21.6 Meetings

Committee members may attend meetings in person or by electronic means.

The Committee should meet at least four times per year with such other meetings to be called as may be necessary from time to time.

In addition, the Chairman may call a meeting at any time and will call a meeting of the Committee if so requested by any member of the Committee or by the Chairman of the Board.

21.7 Attendance at Meetings

The Managing Director, Chief Financial Officer and Chief Risk Officer shall attend each meeting of the Committee.

Any other members of management and/or parties external to AWB may be invited to attend any meeting of the Committee or part thereof.

The AWB Limited Company Secretary (or his or her nominee) shall act as Secretary of the Committee.

21.8 Direct Access

Direct access to the Committee shall be provided to executive management via the committee Secretary or Chairman.

Outside of Committee meetings, the Committee will have unfettered access to relevant executives, although the Chairman of the Committee will normally keep the Chief Financial Officer and Chief Risk Officer fully informed of any such dialogue.

21.9 Duties and Responsibilities

The Committee is responsible for:

- (a) ensuring that the Board considers risk as an integral element of strategy development and that the strategy enunciates the risk parameters that are acceptable to the Board;
- (b) review and oversight of the level and concentration of risks within AWB and its subsidiaries ("the Group") to ensure consistency with the Board's risk appetite. This includes reputational risk, credit risk, market risk, operational risk, compliance risk, insurance risk and regulatory risk;
- (c) making recommendations to the Board concerning the Group's risk appetite, significant changes to any risk policies, and particular risks or risk management practices of concern to the Committee;
- (d) reviewing management's plans for mitigation of the material risks faced by the various business units of the Group and the limits and delegations within the Group are structured to constrain operational activities to the agreed level of risk;
- (e) oversight of the implementation and review of risk management and internal compliance and control systems throughout the Group;
- (f) promotion of awareness of a risk based culture and the achievement of a balance between risk minimisation and reward for risks accepted; and
- (g) recommending credit limits to the Board for approval.

21.10 Other Responsibilities

The other responsibilities of the Committee include:

- (a) Monitor, on a regular basis, AWB's risk management profile via the Chief Risk Officer's Report and other relevant reports.
- (b) Meet privately on a regular basis with the Chief Risk Officer.

Board Governance Charter

- (c) In consultation with the Managing Director recommend to the Board the appointment (and thereafter monitor his/her performance) and, if relevant, dismissal of the Chief Risk Officer.
- (d) Obtain from management on at least an annual basis, reasonable assurance that the policies and controls designed to maintain compliance with those laws and regulations applicable to AWB's various business activities, are being adhered to.
- (e) Review issues raised by Internal Audit, the external auditor or the Audit Committee that impact the risk management framework or the Group's risk management.
- (f) Examine any other matters referred to it by the Board
- (g) Refer in writing to the Audit Committee any matters that have come to the attention of the Committee that it considers are relevant for the Audit Committee.

21.11 Reporting and Assessment

The Committee, through its Chairman, reports to the Board at the earliest possible Board Meeting after each Committee meeting, any matters that should be brought to the attention of the Board, and any recommendations requiring Board approval and/or action. Minutes are to be kept of all Committee meetings and circulated to the Board.

At least annually, a review of the Charter and its continuing adequacy shall be performed together with an evaluation of the Committee's performance as it relates to the requirements of the Charter.