

## Order of Proceedings for AGM Tuesday 29<sup>th</sup> October 2013

**Mr Robert Wright, Chairman**  
***Introduction***

Good morning Ladies and Gentlemen. My name is Robert Wright and I am delighted to welcome you to the Annual General Meeting of SAI Global Limited for 2013.

A quorum is present. I therefore declare the meeting open.

Let me begin by introducing my fellow Directors. *[Introduce each one present]:*

*Robert Aitken*  
*Anna Buduls*  
*Peter Day*  
*Andrew Dutton*  
*Sylvia Falzon*  
*John Murray AM*  
*Tony Scotton*  
*David Spence*

I welcome both Sylvia and David who, subject to your approval later in the meeting, have joined the Board to fill vacancies to be created by the retirements of John and myself at the conclusion of this meeting. I will comment further on this change later in the meeting.

Hanna Myllyoja is the Company Secretary.

I also advise shareholders that the meeting is being webcast. Representatives from our share registry, Link Market Services Limited, and our Auditor, Ernst & Young, are also present.

Following the formal business of the meeting there will be an opportunity for you to join Directors, fellow shareholders and members of the management team for light refreshments.

Now, let us address the items of business for today, that includes presenting the Financial Statements and Reports, and five other matters in respect of which we seek your approval by way of formal resolutions.

An Explanation of each of these matters was given in the Explanatory Statements accompanying the Notice of Meeting.

The Notice of Meeting dated 26<sup>th</sup> September 2013 was forwarded to all shareholders on that date. I propose to take the Notice as read and deal with the business of the meeting in the order it appears in the Notice.

When voting on the motions, please raise your yellow card. If there are any shareholders eligible to vote at this meeting who have not received their yellow card, please see representatives of Link at the registration desk outside.

Those present holding a red (non-voting) card are able to speak at the meeting but are not eligible to vote.

Those present holding a blue (visitor) card are not eligible to vote or speak at the meeting.

### ***Item 1: Financial and other reports***

The first item of business is to receive and consider the Financial Statements of the Company for the year ended 30 June 2013, together with the Directors' Declaration and the Directors' and Auditor's reports.

I propose these be taken as read unless there is any objection.

I will now provide a short overview and then will pass over to our CEO Tony Scotton to provide an update on the current operations of the group. Following Tony's address we will open the meeting for questions.

Improved operating performance achieved by SAI over the past twelve months has been over shadowed by the need to recognise a non-cash impairment charge of \$86M in relation to its compliance assets, including goodwill. This has resulted in the Company reporting a net loss of \$43.2M for the year.

However, the Company has delivered improved cash flows and an underlying EBITDA of \$103.7M, up 4.8% on FY12 and consistent with the guidance provided in February 2013. This performance was achieved off the back of a 6.0% increase in sales revenue to \$478.6M, which included organic growth and the contribution from recent acquisitions.

The impairment charge has been necessary to reflect the recent and previously communicated deterioration in the performance of the Compliance Division as it recovers from operating issues associated with the development and implementation of its new learning platform that first emerged in the second half of FY12.

The impairment charge has no impact on the Company's ability to pay a dividend. The balance sheet remains strong and conservatively geared. The Company continues to trade within its banking covenants.

The Board remains confident in the strategy and long-term potential of the compliance business. The impairment of the compliance assets is the result of operational issues rather than any structural changes to the market for compliance solutions. There is a clear strategy in place to build a compliance business with a market leading, integrated suite of solutions that include the "next generation" learning platform integrated with the GRC (Governance Risk and Compliance) assets. SAI's core capabilities (GRC platform, ethics and compliance training, policy and compliance management, audit management, regulatory intelligence, and content feeds, and enterprise risk management) are positioned in the "sweet spot" of the compliance market.

The Information Services Division experienced solid revenue and profit growth during the year. SAI's Property business met the challenges of increased settlement volumes from the Company's two largest customers, ANZ and Commonwealth Bank and delivered a strong second half result. Our Standards business continued to grow and deliver excellent operating cash flows.

For the Assurance division, our global food certification business had another strong year supported by solid overall performances in our Asian and North American regions. On the other hand, the Assurance training business had a disappointing year, and our mature Australian certification business, including the Product Services business, also had a difficult year with revenues down slightly year on year.

## **Dividend**

The Board resolved to pay a final dividend to 8.2 cents per share fully franked. The Board took into account the underlying performance of the business, its continuing strong cash generating capability and the outlook for FY14, in maintaining the final dividend despite the impairment charge and statutory net loss after tax.

The final dividend took the total dividend for the year to 15.0 cents, unchanged from FY12. The final dividend was paid on 20 September 2013.

## **CEO succession and Board renewal**

On 21 June I announced that the Company's long serving Chief Executive Officer (CEO), Tony Scotton, had indicated his desire to retire from the role by December 2013. This is an appropriate occasion for the Board, on its own and shareholders behalf, to thank Tony for his enormous contribution to the Company, both in the CEO role for the last six years and prior to that as Chief Operating Officer.

The Board is undertaking a CEO search, which is well advanced, and an announcement will be made in due course. As the appointment of a new CEO is taking longer than expected, Tony Scotton has agreed to delay his retirement to the end of March 2014 if required.

At the same time as announcing Tony's intention to retire, I also announced the decisions of two Non-Executive Directors, myself and John Murray AM, to retire at this AGM and not to seek re-election. Both John and I have been Non-Executive Directors since October 2003 just prior to the Company listing on the ASX. I would like to thank John for his contribution to the growth and development of SAI over the decade since listing. John and my retirements continue the Board renewal process that started in 2008.

I am pleased to advise shareholders that Sylvia Falzon and David Spence joined the Board on 28 October 2013. In accordance with the Company's Constitution Sylvia and David will seek election to the Board by shareholders at today's Annual General Meeting.

The Board was also pleased to announce that Andrew Dutton would take over as Chairman, which will occur at the conclusion of this meeting. Andrew has been a Non-Executive Director of the Company since August 2008 and is a member of the Remuneration Committee. Andrew has significant information technology experience and sales and marketing skills at a very senior international level, all very relevant experiences to guide the Company through the next stage of its development.

## **Diversity**

SAI Global values diversity and aims to create a vibrant and inclusive workplace, reflective of the communities in which it operates. Equal opportunity is at the core of the Company's People Strategy as the Board believes a diverse workforce is critical for SAI's business to attract and retain the most talented people. The Board is convinced that gender diversity in leadership positions facilitates different and more innovative thinking, more informed decision-making and ultimately better business outcomes.

Two years ago the Board set a target to increase the proportion of women in senior management roles, defined as direct reports to the Chief Executive Officer plus their direct reports, from 28% at the end of FY11 to between 35% and 40% by the end of FY16. I am pleased to report that we have reached 31% at the end of FY13 and remain on track to achieve our target.

The Board has also set a target of increasing the proportion of female Non-Executive Directors to 40% at the end of FY14. With Sylvia joining Anna Buduls on the Board, the female representation will be one third or 33.3%.

Looking across the whole organisation 52% of the Company's total workforce was female at the end of FY13, up from 50.6% twelve months ago.

## **Management**

The Chief Executive Officer, Tony Scotton and his senior management team, supported by the hard work of all of our staff, continue to focus on taking advantage of the many opportunities presented to the company, whilst dealing with the short-term challenges. On behalf of the Board I would like to thank Tony, his management team and all of SAI's employees for their contributions over the past year.

I will now call upon Tony to address you

***[Mr Tony Scotton, Chief Executive Officer]***

Good morning ladies and gentlemen and welcome to my last address to you as CEO of SAI Global.

In this address I'll cover the key products and services, the strategy and the short to medium term prospects of each the Company's three divisions.

## **Information Services**

This division delivered a solid performance in FY13, growing revenue and EBITDA by 6.7% and 10% respectively.

The information Services division comprises two businesses: a Standards and Technical Information business and a Property business.

The Standards and Technical Information business provides access to business critical content such as Standards, regulations, directives, legislation and codes of practice, to clients wherever they operate in the world.

SAI offers over 1,000,000 Standards and directives from hundreds of technical organisations and societies around the world. It is a leading aggregator of this content and also provides access to bibliographic standards and engineering databases.

Content is delivered in hard copy, electronically through a web shop and increasingly through on line access to content through annual subscription services. Value is added to content through access to databases and increasingly workflow tools that facilitate the effective use of content by our clients.

A key contributor to the revenue and profitability of this business is the Publishing License Agreement (PLA) with Standards Australia. Under the PLA Standards Australia has granted SAI a worldwide licence to publish, distribute, market and sell Australian Standards. There are a number of other exclusive distribution agreements with smaller content developers.

SAI's Information Services strategy, as it relates to Standards and Technical Information, is to be a leading provider of content led information management and workflow solutions. This reflects a growing trend away from transactional sales of documents, to on line access to this content via subscriptions services and workflow solutions. Workflow solutions go beyond efficient delivery of content to building relationships between many different pieces of information, providing flexibility of delivery and integration of content. To remain relevant traditional resellers of content increasingly must offer workflow and information management solutions to service the growing complex information management needs of their customers.

We expect the migration from single sale transactions to annual subscriptions to continue with no degradation to the underlying profitability of this business. Revenue growth is expected to average 4% to 6% over the medium term with the potential for a spike in revenue of circa \$5M associated with the release of the Wiring Rules in FY15.

SAI Property provides three interrelated services; property information and broking services; conveyancing practice management and mortgage processing services. Delivery of these services is facilitated through three core technology platforms, Search Manager, Conveyancing Manager and Settlement Manager. The development of each of these systems has been completed in FY13.

The *Search Manager* platform provides access to information and services relating to the development, transfer and management of Australian property.

It provides a one stop ordering system for all property certificates required for the sale or purchase of real estate. Many of the certificates available also support property development and other property related activities. *Search Manager* makes ordering certificates a seamless experience with all certificates returned efficiently online and via email. Certificates are available from Federal, State and Local Government departments, Water Authorities, Strata Managers and other agencies. Online ordering of Property Certificates is available for Victoria, New South Wales and Queensland.

During Q4 of FY13, the *Conveyancing Manager* application was launched. This system is 'cloud-based' and offers conveyancers a national workflow system to manage the conveyancing process, provide sophisticated document / precedent generation and interfaces to Search Manager and trust accounting.

SAI Property is Australia's premier outsourced settlement service provider providing services from offices across Australia and an extensive agent network. SAI is able to conduct settlements in all major regional locations on a daily basis for both major and second tier financial institutions. In FY13 SAI was involved in 461,000 property settlements in Australia, around 50% of all such transactions, up from 276,000 in FY11.

Through its *Settlement Manager* platform SAI Global Property offers end to end mortgage service capability. Developed in-house in conjunction with major lenders, *Settlement Manager* offers conveyancers or solicitors national scale, with online convenience.

The introduction of electronic conveyancing via National e-Conveyancing Development Limited (NECDL) and their Property Exchange Australia (PEXA) system will change the mortgage processing landscape over the next two to three years, with potential implications for SAI's business. These developments are being monitored and strategies pursued to best capitalise on the challenges and opportunities associated with the new national systems. Nonetheless, we believe that there will be ample opportunities in both electronic and manual settlement processes.

SAI Global Property is developing an electronic transaction workspace that is aimed at streamlining the manual property settlement process. The transaction workspace will provide an online forum where the four parties to a property transaction (incoming bank, outgoing bank, vendor's solicitor and purchaser's solicitor) can 'meet' to exchange the salient information necessary for the property settlement. The transaction workspace is intended to complement the PEXA application and will provide SAI's clients with the ability to align their processes for both their electronic and manual property settlements.

### **Compliance Services**

As the Chairman mentioned, the Compliance division experienced a challenging year. Revenue increased by 8.8% due to the inclusion of a full year contribution from Compliance 360. Organic revenue growth was a disappointing 0.5%. EBITDA increased by 0.7%, again reflecting the contribution from compliance 360. Organic, EBITDA reduced 7.0% primarily as a result of operational issues in the Learning part of the business.

The Compliance division provides a full range of governance, risk and compliance (GRC) advisory services, learning and awareness solutions, and software applications. SAI combines deep domain expertise with practical technology solutions to help organisations bring order and efficiency to the complexity of compliance, ethics, risk management, internal audit and governance.

The solutions are offered across three areas, compliance learning solutions, GRC software solutions, and environment, health & safety (EHS) compliance management.

SAI helps businesses create and implement effective, measurable compliance and ethics training programs, which communicate and embed company values and help employees make ethical decisions aligned with internal policies and external regulations and legislation.

We provide the industry's largest portfolio of compliance learning titles including more than 500 award-winning awareness and educational materials, available in more than 5,000 translated versions for key risk areas.

This division's broad portfolio of GRC software solutions enable legal, risk, compliance, ethics and internal audit professionals to focus on contributing to business results and enhancing compliance effectiveness. The GRC software applications deliver a system of record that helps manage organisational processes related to policies, corporate and regulatory compliance, case management, and overall risk management. With these solutions, clients have a highly configurable set of modules that help identify gaps and risks, eliminate redundant effort and easily maintain the evidence needed to demonstrate full control of compliance, risk and audit programs.

SAI helps organisations manage an extensive range of business processes required to support EHS compliance and risk-related functions. With Cintellate™, SAI provides a technology framework that improves transparency and assists in the proactive measurement, management and improvement of overall business performance.

We estimate that our addressable, global GRC learning and workflow market, is around US\$1B, growing at 5-6% annually. Market expansion is driven by increasing regulatory pressures worldwide, and a growing focus on risk management and brand-protection amongst Board and CEO agendas. With Compliance division revenue of \$91M, SAI is one of the leading providers of GRC solutions in the industry, with an estimated global market share of 8-9%.

SAI has built a strong set of Compliance assets and its core capabilities (GRC platform, ethics & compliance training, policy and compliance management, audit management, regulatory intelligence & content feeds, and enterprise risk management) are positioned in the "sweet spot" of the market. SAI also sees the opportunity to expand into adjacent markets via solution innovation and acquisition.

Buying trends indicate that many organisations seek best-in-breed solutions to address specific compliance requirements such as policy management or compliance training. These buyers also place a premium on solutions that can initially address their specific requirements and readily scale to address additional GRC needs in the future. This trend is advantageous for SAI as it enables customers to leverage the benefits of a SaaS platform to quickly address specific requirements, and concurrently establish the platform for adding integrated GRC applications as needed.

We are well positioned to gain market share in a healthily growing market. FY14 will be a pivotal year as the business reorganises for success.

The new leadership team has completed a strategic review and is now executing a revitalisation plan with four key elements:

1. *Solution integration and innovation* – leveraging market-leading assets; build competitively differentiated “compliance system of record”
2. *Technology integration* - Consolidate on the Compliance 360 platform to enable deep solution integration; sunset legacy systems; create benefits for both clients and SAI in user experience, security, cost of ownership and operational efficiencies
3. *Sales and marketing integration* - Reignite organic growth via global go-to-market plan with appropriate localisation; specialised focus on customer retention and new business generation
4. *Organisational alignment* - Recruitment of proven leadership in e-learning, sales, operations; elimination of redundant roles; cost reduction in EHS in line with performance

Implementation of these initiatives has commenced and progress is being carefully monitored.

We foresee compliance revenue continuing to grow, albeit at a reduced rate, as it addresses the operating issues, gradually increasing to organic growth rates averaging 8-10% per annum. EBITDA margins will remain under pressure until the next generation platform becomes operational, and a lower EBITDA contribution is projected in FY14. In the medium term SAI expects the operating margins to trend higher in percentage terms.

### **Assurance Services**

The Assurance division achieved revenue growth of 3.6% but saw EBITDA reduce 3.1%. This result reflects a disappointing performance from the Training business which saw revenue fall 19.5% compared with the prior year.

The Assurance division offers a range of services in four complementary areas;

- Internationally accredited certification services
- Customer specified assessment services
- Training and improvement solutions



The strategy for Assurance is based on three macro-economic trends impacting our world.

Firstly, *population growth* is driving not just increasing demand for food supply but also increasing requirements around security of supply, authenticity and safety throughout a globalising supply chain.

Secondly, *sustainability* is moving up the agenda for many companies as pressure from Governments on one hand and customers on the other is necessitating demonstrable action.

Thirdly, a once in a generational shift in *technology* with the combination of cloud computing, new mobile devices and global broadband networks is enabling "anytime, anywhere access".

In order to effectively respond to the challenges and opportunities, SAI will position its Assurance business to partner with global and regionally based clients to deliver services that go to the heart of business effectiveness, risk and compliance management.

In this emerging world SAI's priorities for differentiation are:

- Strengthening our existing client relationships through improved speed and quality of service
- Enhancing our position as a global provider of certification and inspection services to provide consistent services across all regions in order to effectively service global accounts regardless of their location
- Building on our extensive auditing expertise to become an organisation that works closely with clients to impart our knowledge to improve their operations through training, consulting and program development
- Expanding our service offerings globally so that training, certification and inspections services are a part of a wider portfolio of activity that helps client organisations solve business problems, streamline processes, reduce costs, and improve the transparency of performance thereby protecting global brands
- Focusing on growth market segments in which we already have a strong position, in particular the Retail-Agri-Food vertical.

SAI continues to build its strong presence in the Global Agri-Food sector through expansion of both our client base and the portfolio of services offered, achieving \$48M in revenue in FY13, 27.5% of overall divisional revenue.

Future opportunities in the retail-agri-food sector will be also driven by external factors such as regulatory action. For example the US Food Safety Modernization Act (2011) is having a significant impact on global organisations as they seek to ensure compliance with these requirements throughout their supply chains. SAI has a significant role to play in helping organisations to move decisively ahead of legislative change and keep in step with changing consumer expectations.

Growth in Assurance services is expected to remain in line with our previously communicated medium term trend range of 5% to 7%. This reflects a combination of low single digit growth in our traditional management systems certification business and higher double digit growth in areas such as Food, Sustainability and the Environment. New value-add services such as supplier compliance management, business improvement solutions and advisory services are also providing strong growth.

### **Information Technology Review**

In the last quarter of FY13, SAI engaged an external party to assist with a detailed company-wide review of the Company's technology processes and governance structure. This IT review, which was completed early this financial year, highlighted a number of weaknesses in our current processes and made specific recommendations for improvement that SAI intends to implement. The IT review and the associated progressive implementation of the recommendations will have a one-off cost impact in of circa \$2 million in FY14 but will significantly reduce the risk of future IT development failures, result in better capital allocation and efficiency and ultimately reduce costs.

This initiative complements an extensive program of Business Continuity investment that has already been underway over the last two years.

### **Outlook**

SAI had a solid final quarter in FY13 and this momentum has continued into the first quarter of FY14, assisted by the impact of the weaker Australian dollar. However, global economic conditions remain uncertain and currency volatility persists.

From a business perspective we will continue to focus on:

- Completing the restructure of Compliance and managing the development of the next generation learning platform resulting in flat revenues and lower EBITDA for this division
- Position the Property business for manual and electronic conveyancing, and
- Implementing the recommendations flowing from the Information Technology review

Each of these initiatives will require both capital investment and operational support during FY14.

Revenue growth will be driven by:

- Continued solid growth of subscription revenue in the Standards & Technical Information business in the Information Services division
- Growth in the Property business due to the new business wins, an improved property market and a full year contribution from the ANZ and CBA contracts

- A return to trend growth of 5% to 7% in the Assurance business

Compared with FY13, the Company is currently confident of achieving 8-10% growth in revenue, but lower growth in EBITDA for the reasons stated above, resulting in a flat statutory NPAT result (before FY13 impairment charge).

Finally, I would like to thank the whole SAI Global team for their hard work and continued commitment to executing the Company's strategy and creating value for our shareholders.

Thank you ladies and gentlemen.

**Mr Robert Wright, Chairman**

Thank you Tony I will now open the meeting for questions

***Item 1***

***Ordinary Business***

I will now move to other matters of ordinary business as outlined in the Notice of Meeting.

Before the vote is taken for each item, I will announce the total number of valid proxies for that item and the manner in which they have been directed. These figures will be as at the closing time for receipt of proxies, which was 7:00 pm, Sunday 27<sup>th</sup> October 2013. These figures may be varied if a shareholder who submitted a proxy is attending the meeting and revoked their proxy.

***Item 2: Resolution #1: Remuneration Report***

The first resolution is to adopt the Remuneration Report.

The Remuneration Report is listed on pages 36 to 55 of the Company's Annual Report for 2012-2013. It sets out the remuneration policy of the Company and reports on the remuneration arrangements in place for the CEO, specified executives and Non-Executive Directors.

As mentioned last year, the operation of the Corporations Act (Act) means that there are now a number of restrictions on voting which apply to "Key Management Personnel" (often referred to as 'KMPs') and their "closely related parties".

The Company has taken steps to identify its KMPs and their closely related parties and their shareholdings, and to explain to them how these voting restrictions apply to them, to seek to ensure these restrictions are complied with in respect of all relevant resolutions.

As stated in the Notice of Meeting, in relation to proxies given to me as Chairman, I intend, to the extent permitted by law, to vote any undirected proxies in favour of all proposed resolutions.

Turning now to the Remuneration Resolution itself, the Board recommends that shareholders vote in favour of this resolution

Is there any discussion?

Thank you for comments.

If there is no further comment I will put the resolution.

**The resolution is "that the company Remuneration Report required by s.300A of the Corporations Act, as contained in the Directors' Report for the year ended 30th June 2013 be approved."**

The total number of valid proxy votes exercisable in respect of this item of business is 163,136,910. Of these 160,121,257 have been directed to vote for the resolution, 2,666,066 against, and 879,774 abstain and 349,587 allow the proxy to exercise their discretion.

For this resolution and for resolution 5, these proxy numbers exclude all proxies which cannot be voted for the reasons as explained previously.

Those in favour of the resolution, please raise your yellow card.

Those against?

I declare the motion carried/ lost

***Item 3: Resolution #2: Re-Election of Non-Executive Director***  
**Resolution #2 is that Mr Andrew Dutton who retires in accordance with the Company's Constitution and offers himself for re-election is re-elected as a Director of SAI.**

Before opening this to discussion, I would like to remind you the Board recommends Mr Dutton's re-election, and I call on Andrew to say a few words.

*[Short statement by Andrew Dutton in support of his candidature.]*

Thank you Andrew. Is there any discussion on the resolution? If you have a question, please raise your card and a roving microphone will be passed to you. Before asking the question, please state your name and affiliation.

If there is no (further) discussion, I will put the motion to approve the election of Andrew Dutton as a Non-Executive Director of the company.

The total number of valid proxy votes exercisable in respect of this item of business is **163,974,722**. Of these 161,853,253 have been directed to vote for the resolution, 1,769,334 against, 81,962 abstain and 352,135 allow the proxy to exercise their discretion.

Those in favour of the resolution, please raise your yellow card.

Those against?

I declare the motion carried/ lost.

**Item 4: Resolution # 3: Election of Non-Executive Director**

**Resolution #3 is that Mr David Moray Spence who was appointed as a non-executive director by the Board during the year retires in accordance with the Company's Constitution and offers himself for election, is elected as a Director of SAI .**

Before opening this to discussion, I would like to remind you that the Board recommends Mr Spence's election, and I call on David to say a few words.

*[Short statement by David Spence in support of his candidature.]*

Thank you David. Is there any discussion on the resolution? If you have a question, please raise your card and a roving microphone will be passed to you. Before asking the question, please state your name and affiliation.

If there is no (further) discussion, I will put the motion to approve the election of David Spence as a Non-Executive Director of the company.

The total number of valid proxy votes exercisable in respect of this item of business is **163,971,278**. Of these 161,876,352 have been directed to vote for the resolution, **1,742,791** against, 85,406 abstain and 352,135 allow the proxy to exercise their discretion.

Those in favour of the resolution, please raise your yellow card.

Those against?

I declare the motion carried/ lost.

**Item 5: Resolution # 4: Election of Non-Executive Director: Ms Sylvia Falzon**

**Resolution #4 is that Ms Sylvia Falzon who was appointed as a non-executive director by the Board during the year retires in accordance with the Company's Constitution and offers herself for election, is elected as a Director of SAI .**

Before opening this to discussion, I would like to remind you that the Board recommends Ms Falzon's election, and I call on Sylvia to say a few words.

*[Short statement by Sylvia Falzon in support of her candidature.]*

Thank you Sylvia. Is there any discussion on the resolution? If you have a question, please raise your card and a roving microphone will be passed to you.

Before asking the question, please state your name and affiliation.

If there is no (further) discussion, I will put the motion to approve the election of Sylvia Falzon a Non-Executive Director of the company.

The total number of valid proxy votes exercisable in respect of this item of business is **163,969,031**. Of these 161,768,212 have been directed to vote for the resolution, 1,843,107 against, 87,653 abstain and **357,712** allow the proxy to exercise their discretion.

Those in favour of the resolution, please raise your yellow card.

Those against?

I declare the motion carried/ lost.

***Item 6: Resolution # 5: Approve an increase in the total remuneration pool available for Board fees paid to Non-Executive Directors***

With reference to the matters set out in the Explanatory Statement, to consider and, if thought fit, to pass the following ordinary resolution:

That shareholders approve an increase of \$200,000 in the total annual remuneration pool available for Board fees payable to Non-Executive Directors of SAI, from \$800,000 to \$1,000,000 per annum (inclusive of statutory entitlements) with effect from 30 October 2013.

Is there any discussion on the resolution?

If there is no (further) discussion, I will put the motion to approve the increase in the total remuneration pool available for Board fees paid to non-executive directors.

The total number of valid proxy votes exercisable in respect of this item of business is 163,072,935. Of these 160,235,940 have been directed to vote for the resolution, 2,604,620 against, **843,263** abstain and **232,375** allow the proxy to exercise their discretion.

Again, just as with resolution 1, these proxy numbers exclude all proxies which cannot be voted for the reasons as explained previously.

Those in favour of the resolution, please raise your yellow card.

Those against?

I declare the motion carried/ lost.

***Other Business***

I note we [**have/have not**] received any questions by email or by mail.

Are there any matters of a general nature those present (or in contact) wish to raise?

As previously discussed, my retirement as Chairman comes into effect today at the conclusion of this meeting.

I can assure you that the Chairman's role is in very good hands. Andrew Dutton, who has been a non-executive director of SAI since 2008, is amply qualified to lead your board, both in terms of his experience as a non-executive director of SAI and his international business career in the information technology space.

I am confident that the SAI Board under Andrew's Chairmanship will continue to drive the company's strategy through the next phase to create long-term value for shareholders.

Ladies and Gentlemen, with those comments on our performance, our strategy, and our outlook, I conclude my final report to shareholders as your Chairman. It has been a great honour to serve you during the Company's development that I truly believe secures a great future for this company.

I would now like to hand over to Andrew Dutton to address the meeting.

**[Address by Andrew Dutton, Chairman-Elect:]**

Good morning ladies, gentlemen and fellow shareholders.

It is almost 10 years since SAI listed on the ASX and having served as a non-executive director of the Company since August 2008, it is both an honour and a privilege to be addressing you today as the incoming Chairman.

When I joined the Board, the Company was growing at a rapid pace under the leadership of Tony Scotton, the CEO and Robert Wright as Chairman. A lot has been achieved in the last 5 years.

Much of the company's growth over the last 10 years has been built through acquisition. While this has led to good overall business outcomes and growth in shareholder value, it has also led to the introduction of diverse systems, processes and cultures.

The focus over the near term will emphasise organic growth underpinned by streamlined processes and technology solutions and a common global corporate culture as the organisation progressively evolves from legacy solutions and services to new integrated go to market solutions for our clients.

In particular, I would like to take this opportunity to acknowledge the tremendous contribution Robert Wright and John Murray have made to SAI. Both have been Directors since the Company's listing 10 years ago. During that time they have taken leadership roles within the Board, Robert as Audit Committee Chairman, prior to his appointment as Company Chairman and John as the long serving Chairman of the Remuneration Committee. The Company looks very different today compared to when they joined and I am sure they will leave the Board with fond memories of their time as Directors and a great deal of pride in the progress achieved during their tenure. I know I speak for my fellow Directors in offering them heartfelt thanks for their excellent contributions

and best wishes for life after SAI and their future endeavours, whatever they may be.

On a final note, I also convey the Board's gratitude to the CEO, Tony Scotton who has tirelessly and thoughtfully steered SAI through some significant strategic changes and a very exciting period of growth, transformation and challenge. With Tony's announced retirement expected to take effect in due course, the Board is well advanced in its recruitment processes for a new CEO. We will announce details as soon as we are able.

Ladies and gentlemen, along with my fellow directors, I look forward to regularly reporting to you SAI's progress.

Back to you, Robert.

***Robert Wright – Closure:***

There being no further business ladies and gentlemen, I declare the 2013 Annual General Meeting of SAI Global Limited closed.

Thank you for your attendance today and for your support as shareholders. I invite you to join us for tea and coffee and some light refreshment.

-ENDS-