



**WNS (HOLDINGS) LIMITED**

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**AUDIT COMMITTEE CHARTER**

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*Original version dated June 29, 2006*

*Version no. 2 dated July 20, 2011*

*Version no. 3 dated July 16, 2013*

*Version no. 4 dated April 25, 2018*

**WNS (HOLDINGS) LIMITED**  
**CHARTER OF THE AUDIT COMMITTEE**

This Audit Committee Charter (this “Charter”) was adopted by the Board of Directors (the “Board”) of WNS (Holdings) Limited (the “Company”) on June 29, 2006-and amended on July 20, 2011, July 16, 2013 and April 25, 2018.

**I. PURPOSE**

The purpose of the Audit Committee (the “Committee”) is to assist the Board with its oversight of responsibilities regarding:

- (i) the integrity of the Company’s financial statements;
- (ii) the Company’s compliance with legal and regulatory requirements;
- (iii) the Company’s internal controls;
- (iv) the audit process, including the Independent Auditor’s qualifications and independence; and
- (v) the performance of the Company’s internal audit function and Independent Auditor.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with this Charter, the purposes of the Committee, the Company’s Articles of Association and applicable New York Stock Exchange rules. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee’s sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

Notwithstanding the foregoing, the Committee’s responsibilities are limited to oversight. Management of the Company is responsible for the preparation, presentation and integrity of the Company’s financial statements as well as the Company’s financial

reporting process, accounting policies, internal audit function, internal accounting controls and disclosure controls and procedures. The Independent Auditor is responsible for performing an audit of the Company's annual financial statements, expressing an opinion as to the conformity of such annual financial statements with generally accepted accounting principles and reviewing the Company's quarterly financial statements. It is not the responsibility of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosure are complete and accurate and in accordance with generally accepted accounting principles and applicable laws, rules and regulations. Each member of the Committee shall be entitled to rely on the integrity of those persons within the Company and of the professionals and experts (including the Company's internal auditor or others responsible for the internal audit function, including contracted non-employee or audit or accounting firms engaged to provide internal audit services (the "Internal Auditor") and the Company's Independent Auditor from which the Committee receives information and, absent actual knowledge to the contrary, the accuracy of the financial and other information provided to the Committee by such persons, professionals or experts.

## **II. STRUCTURE AND MEMBERSHIP**

a) Number. The Committee shall consist of no fewer than three members of the Board. Each Committee member shall be financially literate as determined by the Board in its business judgment. However, at least one member of the Committee shall have accounting or related financial management expertise as determined by the Board in its business judgment. In addition, either at least one member of the Committee shall be an "audit committee financial expert" within the definition adopted by the U.S. Securities and Exchange Commission (the "SEC") or the Company shall disclose in its periodic reports required pursuant to the Securities Exchange Act of 1934 (the "Exchange Act") the reasons why at least one member of the Committee is not an "audit committee financial expert."

b) Independence. Each Committee member shall satisfy the independence requirements of the New York Stock Exchange and Exchange Act Rule 10A-3(b)(1), unless exemptions from such requirements are available. No Committee member may simultaneously serve on the audit committee of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee and such determination is disclosed in the Company's annual report.

c) Chair. Unless the Board elects a Chair of the Committee, the Committee shall elect a Chair by majority vote.

d) Compensation. The compensation of the Committee members shall be determined by the Board based on the recommendation made by the Nominating & Corporate Governance Committee.

e) Selection and cessation. The members of the Committee, including the Chair of the Committee, shall be appointed by the Board on the recommendation of the Nominating/Corporate Governance Committee. The Board may remove members of the Committee with or without cause. Any member may voluntarily retire from the Committee with a notice to the Board. A Board member ceasing to be a director automatically ceases to be a member of the Committee unless the Board and such member agree for a continuation by such a member as a member of the Committee.

f) Secretary. The Secretary of the Board shall also be the Secretary of the Committee.

### **III. PROCEDURE, ADMINISTRATION AND AUTHORITY**

a) Meetings. The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's Articles of Association that are applicable to the Committee.

The Committee shall meet at least once during each fiscal quarter and more frequently as the Committee deems desirable. The Committee shall meet separately, periodically, with Management, with the Internal Auditor and with the Independent Auditor.

The Committee may also conduct meetings over teleconference, video conference or through electronic means where all members are clearly audible to each other.

The Secretary shall minute/record the proceedings of the meeting and the minutes of Committee meeting shall be final and conclusive.

b) Subcommittees. The Committee may form and delegate authority to one or more subcommittees (including a subcommittee consisting of a single member) as it deems appropriate from time to time under the circumstances.

c) Reports to the Board. The Committee shall report regularly to the Board through its Chair.

d) Participation in meetings. All non-executive directors who are not members of the Committee may attend, observe meetings of the Committee and participate in discussions, but shall not be entitled to vote. The Committee may, at its discretion, include in its meetings members of the Company's Management, or any other person whose presence the Committee believes to be desirable and appropriate. Notwithstanding the foregoing, the Committee may exclude from its meetings any person it deems appropriate, including but not limited to, any non-Management director who is not a member of the Committee.

e) Charter. The Committee shall, from time to time as it deems appropriate, review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

f) Independent Advisors. The Committee is authorized to engage such independent counsel, experts or advisors (accounting, tax and financial or otherwise) as it deems necessary or appropriate to carry out its responsibilities. Such independent advisors may be the regular advisors to the Company or any of its subsidiaries (the Company and its subsidiaries being herein collectively referred to as the "Group"). The Committee is empowered, without further action by the Board, to cause a member of the Group to pay the compensation of such counsel, experts or advisors as established by the Committee. Further, the Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to the Independent Auditor for the purpose of preparing or issuing an audit report or performing other audit, review or attest services, for payment of compensation to any advisors employed by the Committee and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

g) Investigations. The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Group to meet with the Committee or any advisors engaged by the Committee.

## IV. DUTIES AND RESPONSIBILITIES

### A. *Interaction with the Independent Auditor*

1. *Appointment and Oversight.* The Committee shall be directly responsible for the appointment, compensation, retention and oversight of the work of the Independent Auditor (including resolution of any disagreements between Company Management and the Independent Auditor regarding financial reporting) or any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company, and the Independent Auditor and each such other registered public accounting firm shall report directly to the Committee.
2. *Pre-Approval of Services.* Before the Independent Auditor is engaged by the Company or its subsidiaries to render audit or non-audit services, the Committee shall pre-approve the engagement. Committee pre-approval of audit and non-audit services will not be required if the engagement for the services is entered into pursuant to pre-approval policies and procedures established by the Committee regarding the Company's engagement of the Independent Auditor, provided the policies and procedures are detailed as to the particular service, the Committee is informed of each service provided and such policies and procedures do not include delegation of the Committee's responsibilities under the Exchange Act to the Company's Management. The Committee may delegate to one or more designated members of the Committee the authority to grant pre-approvals, provided such approvals are presented to the Committee at a subsequent meeting. If the Committee elects to establish pre-approval policies and procedures regarding non-audit services, the Committee must be informed of each non-audit service provided by the Independent Auditor. Committee pre-approval of non-audit services (other than review and attest services) also will not be required if such services fall within available exceptions established by the SEC.
3. *Independence of Independent Auditor.* The Committee shall, at least annually, review the independence and quality control procedures of the Independent Auditor and the experience and qualifications of the Independent Auditor's senior personnel that are providing audit services to the Company. In conducting its review:

- (i) The Committee shall obtain and review a report prepared by the Independent Auditor describing the auditing firm's internal quality-control procedures and any material issues raised by the most recent internal quality-control review, or peer review, of the auditing firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditing firm, and any steps taken to deal with any such issues.
- (ii) The Committee shall obtain and review a written statement prepared by the Independent Auditor describing all relationships between the Independent Auditor and the Company, consistent with Independence Standards Board Standard 1 ("*Independence discussions with Audit Committees*") and consider the impact that any relationships or services may have on the objectivity and independence of the Independent Auditor.
- (iii) The Committee shall confirm with the Independent Auditor that the Independent Auditor is in compliance with the partner rotation requirements established by the SEC.
- (iv) The Committee shall consider whether the Company should adopt a rotation of the annual audit among independent auditing firms.
- (v) The Committee shall set clear hiring policies for employees or former employees of the Independent Auditors.

*B. Annual Financial Statements and Annual Audit*

*1. Meetings with Management, the Independent Auditor and the Internal Auditor.*

- (i) The Committee shall meet with Management, the Independent Auditor and the Internal Auditor in connection with each annual audit to discuss the scope of the audit, the procedures to be followed and the staffing of the audit, to ensure completeness of coverage, reduction of redundant efforts, the effective use of audit resources, and the use of independent public accountants other than the appointed auditors of the Company. The

Committee shall review with the Independent Auditors and Internal Auditors the adequacy of the Company's financial reporting processes, both internal and external.

- (ii) The Committee shall consider and review with Management, the Independent Auditor and the Internal Auditor:
  - (a) the Company's annual assessment of the effectiveness of its internal controls and the Independent Auditor's attestation and report about the Company's assessment;
  - (b) the adequacy of the Company's internal controls including computerized information system controls and security; and
  - (c) any related significant findings and recommendations of the Independent Auditor and Internal audit together with Management's responses.
  
- (iii) The Committee shall review and discuss with Management and the Independent Auditor:
  - (a) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies;
  - (b) any analyses prepared by Management or the Independent Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including analyses of the effects of alternative generally accepted accounting principles as adopted by the Company methods on the Company's financial statements; and
  - (c) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company's financial statements.
  
- (iv) The Committee shall review and discuss the annual audited financial statements with Management and the Independent Auditor, including the Company's disclosures under "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and discuss with the Independent Auditors the matters required to be discussed by SAS No. 114



(i.e. *“The Auditor’s Communication with those charged with Governance”*) as then in effect.

2. *Separate Meetings with the Independent Auditor.*

- (i) The Committee shall review with the Independent Auditor any problems or difficulties the Independent Auditor may have encountered during the course of the audit work, including any restrictions on the scope of activities or access to required information or any significant disagreements with Management and Management’s responses to such matters. Among the items that the Committee should consider reviewing with the Independent Auditor are:
  - (a) any accounting adjustments that were noted or proposed by the auditor but were “passed” (as immaterial or otherwise);
  - (b) any communications between the audit team and the Independent Auditor respecting auditing or accounting issues presented by the engagement; and
  - (c) any “management” or “internal control” letter issued, or proposed to be issued, by the Independent Auditor to the Company. The Committee shall obtain from the Independent Auditor assurances that Section 10A(b) of the Exchange Act has not been implicated.
- (ii) The Committee shall discuss with the Independent Auditor the report that such auditor is required to make to the Committee regarding:
  - (a) all accounting policies and practices to be used that the Independent Auditor identifies as critical;
  - (b) all alternative treatments within generally accepted accounting principles as adopted by the Company for policies and practices related to material items that have been discussed among Management and the Independent Auditor, including the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Independent Auditor; and
  - (c) all other material written communications between the Independent Auditor and Management of the Company, such as any management letter, management representation letter, reports on observations and recommendations on internal controls, Independent Auditor’s engagement letter, Independent Auditor’s independence letter,

schedule of unadjusted audit differences and a listing of adjustments and reclassifications not recorded, if any.

3. *Recommendation to include Financial Statements in Annual Report.* The Committee shall, based on the review and discussions in Paragraph IV.B.1(iv) above, and based on the disclosures received from the Independent Auditor regarding its independence and discussions with the auditor regarding such independence pursuant to Paragraph IV.A.3(ii) above, determine whether to recommend to the Board that the audited financial statements be included in the Company's Annual Report on Form 20-F for the fiscal year subject to the audit.
4. *Audit Committee Report.* The Committee shall prepare the disclosure required by Item 407(d)(3)(i) of Regulation S-K under the Securities Act of 1933.

#### C. *Quarterly Financial Statements*

1. *Meetings with Management, the Independent Auditor and the Internal Auditor.* The Committee shall review and discuss the quarterly financial statements with Management and the Independent Auditor, including, if applicable, the Company's disclosures under "*Management's Discussion and Analysis of Financial Condition and Results of Operations.*"

Further, auditing literature, particularly *Statement of Auditing Standards ("SAS") No. 100 ("Review of Interim Financial Information")*, defines the term "review" to include a particular set of required procedures to be undertaken by Independent Auditors. The members of the Committee are not Independent Auditors, and the term "review" as used in this Charter is not intended to have that meaning and should not be interpreted to suggest that the Committee members can or should follow the procedures required of auditors performing reviews of financial statements.

#### D. *Internal Audit*

1. *Appointment.* The Committee shall review the appointment and replacement of the Internal Auditor, including fees of external consultants who serve as Internal Auditors.

2. *Separate Meetings with the Internal Auditor.* The Committee shall meet periodically with the Company's Internal Auditor to discuss the responsibilities, budget and staffing of the Company's internal audit function and any issues that the Internal Auditor believes warrant audit committee attention. The Committee shall discuss with the Internal Auditor any significant reports to Management prepared by the Internal Auditor and any responses from Management.
3. *Report of Internal Auditor.* The Internal Auditor shall report quarterly to the Committee on
  - (a) the design and operation of the Company's operating subsidiaries' internal controls; and
  - (b) any allegations of fraud involving Management or other employees who have a significant role in the Company's internal controls.
4. *Review of Internal Audit Function.* The Committee shall review the responsibilities, functions and performance of the Company's internal audit department. Further it shall review (a) significant findings on internal audits during the year and Management responses thereto; (b) monitor whether internal control recommendations have been implemented by Management; (c) changes to the scope, if any, required on internal audit as well as (d) any difficulties the internal audit team encountered in the course of their audits.

*E. Other Powers and Responsibilities*

1. The Committee shall discuss with Management and the Independent Auditor the Company's earnings press releases (with particular focus on any "pro forma" or "adjusted" non-GAAP information), as well as financial information and earnings guidance provided to analysts and rating agencies. The Committee's discussion in this regard may be general in nature (i.e., discussion of the types of information to be disclosed and the type of presentation to be made) and need not take place in advance of each earnings release or each instance in which the Company may provide earnings guidance.
2. The Committee shall discuss with Management and the Independent Auditor any related-party transactions brought to the Committee's attention which could reasonably be expected to have a material impact on the Company's

financial statements.

3. The Committee shall discuss with Management and the Independent Auditor any correspondence from or with regulators or governmental agencies, any employee complaints or any published reports that raise material issues regarding the Company's financial statements, financial reporting process, accounting policies or internal audit function.
4. The Committee shall discuss with the Company's in-house general counsel or outside counsel any legal matters brought to the Committee's attention that could reasonably be expected to have a material impact on the Company's financial statements and shall review policies and procedures with respect to transactions between the Company and officers or directors, or affiliates of officers or directors.
5. The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, including any violation of securities law or breach of fiduciary duties or the code of conduct. The Committee shall also establish procedures for the confidential and anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters or the code of conduct. The Committee shall also review on an annual basis the adequacy of the procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, including procedures for confidential, and anonymous submissions by Company employees. The Committee, through its Chair, shall report regularly to, and review with, the Board any issues that arise with respect to materially significant complaints. The Committee may also retain independent counsel, experts or advisors (accounting, financial or otherwise) and take appropriate steps required for redressal/reporting of the complaint, as per the advice given by the independent counsel, experts or advisors.
6. The Committee shall review:
  - (a) the Company's policies with respect to contingent liabilities and risks that may be material to the Company;

- (b) the Company's policies and procedures designed to promote compliance with laws, regulations, and internal policies and procedures; and
  - (c) major legislative and regulatory developments which could materially impact the Company. This will be facilitated through the receipt of reports from Management, legal counsel and third parties as determined by the Committee.
7. The Committee shall discuss the Company's policies with respect to risk assessment and risk management. The Company shall also review with the Management and report to the Board the effectiveness of the Company's risk assessment and management function.
  8. The Committee shall discuss any disclosures made to the Committee by the Company's Chief Executive Officer or Chief Financial Officer during their certification process for the Form 20-F regarding: (i) any significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data and any material weaknesses in internal controls identified to the Independent Auditor; and (ii) any fraud, whether or not material, that involves Management or other employees who have a significant role in the Company's internal controls.
  9. The Committee shall read Management's report (to be included in the Company's Annual Report on Form 20-F) assessing the effectiveness of the internal control structure and procedures of the Company for financial reporting and shall discuss with the Independent Auditor such auditor's attestation to and report on Management's report.
  10. The Committee shall, at least annually, consider and discuss with Management and the Independent Auditor the Company's Code of Business Ethics and Conduct and the procedures in place to enforce the Code of Business Ethics and Conduct. The Committee shall also consider and discuss and, as appropriate, grant requested waivers from the Code of Business Conduct and Ethics brought to the attention of the Committee, though the Committee may defer any decision with respect to any waiver to the Board.
  11. The Committee, through its Chair, shall report regularly to, and review with, the Board regarding the activities of the Committee, including any issues that arise

with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's Independent Auditor, the performance of the Company's internal audit function or any other matter the Committee determines is necessary or advisable to report to the Board.

12. The Committee shall at least annually perform an evaluation of the performance of the Committee and its members, including a review of the Committee's compliance with this Charter.
13. The Committee shall at least annually review and reassess this Charter and submit any recommended changes to the Board for its consideration.
14. The Committee may retain any independent counsel, experts or advisors (accounting, financial or otherwise) that the Committee believes to be necessary or appropriate with respect to any of its responsibilities. The Committee may also utilize the services of the Company's regular legal counsel or other advisors to the Company. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the Independent Auditor for the purpose of rendering or issuing an audit report or performing other audit, review or attest services, for payment of compensation to any advisors employed by the Committee and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
15. The Committee shall manage and review executive officer and director indemnification and adequacy of insurance and other risk coverage measures.
16. The Committee shall manage and review any employee loans in an amount equal to or greater than \$50,000.
17. The Committee may conduct or authorize investigations into any matters within the scope of the powers and responsibilities delegated to the Committee.

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