

# Audit & Risk Committee Charter

February 2019



## Objective

The Audit and Risk Committee (the Committee) is a part of the Newcrest Mining Limited Board (the Board). The Committee's role is to assist the Board to fulfil its responsibilities in relation to:

- financial reporting principles and policies, controls and procedures;
  - integrity of the Company's financial statements;
  - risk management processes;
  - internal control processes and effectiveness;
  - internal audit;
  - compliance with applicable legal and regulatory requirements; and
  - external audit.
- the effectiveness of the Company's corporate reporting processes and management's internal controls over the Company's business processes;
  - the scope and adequacy of the annual audit plan of the external auditors;
  - the independence of the external auditors and their performance, considered at least on an annual basis;
  - the procedures of the external auditors and rotation of audit partners;
  - the provision of non-audit services by the external auditor;
  - the appointment or dismissal of the external auditor and the terms of their engagement;
  - the scope, programme, objectivity, performance and resourcing of the internal audit function, considered at least on an annual basis;

## Duties and Responsibilities

To review and report to, and where appropriate recommend for approval by, the Board in relation to:

- the published half year and full year financial statements of the Newcrest Group and disclosures which accompany such statements to determine whether they provide a true and fair view of the financial position and performance of the Newcrest Group;
  - the certification provided by the Chief Executive Officer and Chief Financial Officer in relation to the half year and full year financial statements.
  - the Company's material formal accounting policies and any material change to such policies and the appropriateness of the material accounting judgements or choices exercised by management in preparing the Newcrest Group's financial statements;
- the reports of the external and internal auditors and any material issues arising from their audits;
  - the appointment or dismissal of the Head of Risk and Assurance and the Manager Internal Audit;
  - the overall adequacy and effectiveness of the risk framework, risk assessment process and methodology and risk culture, having regard to the fact that responsibility for some of the risk framework, risk assessment process and methodology may be allocated to other Board Committees from time to time;
  - material risks for the Company relating to cyber security;
  - the Company's disclosures in the annual report in relation to material business risks;
  - the Company's compliance with applicable laws and regulations (including in relation to taxation)

and accounting standards to the extent that it may impact on the Company's financial position;

- the culture of compliance within the Company;
- any material claims or issues in relation to taxation;
- the Company's policies, practices and systems for detecting, reporting and preventing fraud, serious breaches of conduct and whistle-blowing procedures; and
- any material incident which has occurred involving fraud or other breakdown of the Company's internal controls.

## Reviews

- The overall performance of the Committee is to be reviewed at least every two years by:
  - obtaining feedback from the Board, Managing Director & Chief Executive Officer, Finance Director & Chief Financial Officer and the General Counsel & Company Secretary, internal auditor and external auditor; and
  - the Chairman assessing the contribution and performance of individual Committee members.
- The Committee's Charter will be reviewed at least every two years.

## Authority

In carrying out its duties the Committee shall have the authority to discuss directly with management, internal auditors or the external auditors any issue within its remit and to request reports, explanations and information of any of the activities, procedures or accounts of the Newcrest Group.

The Committee is authorised by the Board to obtain outside legal or other professional advice if it considers this necessary.

The Committee will meet with the Head of Risk and Assurance and/or the Manager Internal Audit, with or without other members of Management present as considered appropriate by the Committee, and at times desired by the Committee or requested by the Head of Risk and Assurance and/or the Manager Internal Audit.

## Membership

The Committee is comprised of at least three non-executive directors one of whom acts as Chairman of the Committee. The Board of Directors will appoint and remove the members of the Committee and the Committee's Chairman. The Chairman of the Board is not to be the Chairman of the Committee.

The Committee's activities are to be fully supported by the Managing Director & Chief Executive Officer, Finance Director & Chief Financial Officer and the General Counsel & Company Secretary. This executive group is responsible for ensuring that adequate information is provided to enable the Committee to make assessments and judgments consistent with the purpose stated above.

## Meetings

The Committee is to meet at least four times per year. Special meetings may be called by the Chairman of the Committee or the General Counsel & Company Secretary. Other Committee members may request a special meeting through the Chairman. The Chairman of the Committee may call a meeting with internal or external auditors independent of management.

A quorum may be formed by any two Committee members.

The Finance Director & Chief Financial Officer and representatives of the external auditor are required to attend Committee meetings. As needed, other members of management will be invited to attend meetings for appropriate agenda items.

The Managing Director & Chief Executive Officer is required to attend Committee meetings that consider the half year and full year financial statements.

All Directors receive Committee papers and have a standing invitation to attend Committee meetings.

The Committee is a review and advice Committee and has no decision making authority and holds no delegated authorities from the Board.

*Approved by the Board: 13 February 2019*