



GOLDFIELDS MONEY LIMITED
ACN 087 651 849

RISK & COMPLIANCE COMMITTEE CHARTER

as adopted by the Board of Directors on 18 March 2016

Purpose of Charter

1. This Charter governs the operations of the Risk & Compliance Committee (the **Committee**). It sets out the Committee's roles and responsibilities, composition, structure and membership requirements. The Committee has been established to assist the board of directors (the **Board**) of Goldfields Money Limited (the **Company**) as the Board oversees the risk profile, approved the Risk Management Strategy of the Company with the context of the risk appetite determined by the Board, and makes its annual declaration to APRA on risk management.
2. To fulfil its responsibilities the Committee has power delegated by the Board to set risk appetite, review and recommend the Risk Management Strategy to the Board for approval; approve frameworks; approve policies and processes for managing risk (consistent with the Risk Management Strategy and risk appetite); and accept risks beyond the approval discretion provided to management.
3. The Committee has free and unfettered access to senior management, risk and financial control personnel in carrying out its duties.

Membership

4. Committee present will appoint a Chairman for that particular meeting. The Committee shall be members of, and appointed by, the Board. It shall be of sufficient size, independence and technical expertise to discharge its mandate effectively. The Committee shall consist of:
 - (a) only non-executive directors;
 - (b) at least three (3) members;
 - (c) a majority of independent directors; and
 - (d) a chairperson, who shall be an independent director as nominated by the Board from time to time but who shall not be the chairperson of the Board.
5. All Committee members will be appointed for a term of three (3) years, after which they will be eligible for re-appointment for so long as they remain directors of the Board and, if they are independent, they do not become non-independent. The effect of ceasing to be a director of the Board is the automatic termination of appointment as a member of the Committee. Members may resign upon reasonable notice in writing to the Committee chairperson. A member may from time to time be immediately removed by notice in writing under the hand of the Committee chairperson.

6. The secretary of the Committee shall be the company secretary from time to time or such other person as nominated by the Board.

Meetings

7. The Committee shall meet often enough to undertake its role effectively, being at least four times each year.
8. The Committee shall meet in private session at least annually to assess management's effectiveness.
9. A quorum for any meeting will be 2 members.
10. The agenda and supporting documentation will be circulated to the Committee members within a reasonable period in advance of each meeting. The Secretary will circulate minutes of meetings to members of the Committee and the Board.
11. Special meetings may be convened as required. The chairperson of the Committee will call a meeting of the Committee if requested to do so by any member of the Committee or by the chairperson of the Board.
12. The proceedings of all meetings will be minuted and these will be included in the papers for the next Board meeting after each Committee meeting. Other Directors of the Board are entitled to attend the Committee meetings.
13. The Committee may request any officer or employee of the Company, external legal counsel, the external auditor or any person or group with relevant experience or expertise to attend meetings of the Committee or to meet with any members of, or consultants to, the Committee.

Authority

14. The Board authorises the Committee, within the scope of its responsibilities, to:
 - (a) investigate any matter brought to its attention with full access to all books, records and facilities;
 - (b) seek any information it requires from an employee (and all employees are directed to co-operate with any request made by the Committee) or external parties;
 - (c) obtain outside accounting, legal, compliance, risk management or other professional advice as it determines necessary to carry out its duties; and
 - (d) ensure the attendance of Company officers at meetings as it thinks appropriate.

Duties and responsibilities

15. The Committee will monitor and provide recommendations to the Board on the Company's risk management strategy, monitor the alignment of the Company's risk profile and controls with risk appetite (as defined in the Risk Appetite Statement), and will oversee the identification, management and reporting of risks inherent in the Company's operations, including that sufficient resources are dedicated to risk management. Such oversight will include, but is not restricted to, the elements in the Duties and Responsibilities section.

Risk appetite

16. Establish a view of the Company's current and future risk position relative to its risk appetite and capital strength.

17. Approve the Risk Appetite Statement and review and monitor the risk profile of the Company for consistency with this risk appetite.

Overall risk governance

18. The Committee will do all things necessary on its part along with management to establish and maintain a sound risk management culture within the Company. It will also review, and oversee senior management's implementation of the Company's Risk Management Strategy and measuring, monitoring and reporting on aggregate risk exposures associated with risk types within the Company monitored by the Committee.

Capital

19. Oversee and approve the Internal Capital Adequacy Assessment Process and in doing so:
 - a) review the outcomes of stress testing; and
 - b) set the target capital ranges for regulatory capital
20. Review and monitor capital levels for consistency with the Company's risk appetite.

Credit risk

21. Review and approve the Company's Credit Risk Management Framework.
22. Review and approve key policies and associated risk concentration limits supporting the Company's Credit Risk Management Framework, including policies for the credit risk rating system, managing large exposures and concentration risk.
23. Review and approve the limits and conditions that apply to credit risk approval authority delegated to the Chief Executive Officer/Managing Director, the Risk & Compliance Manager, the Chief Financial Officer, and any other officers of the Company to whom the Board has delegated credit approval authority.
24. Approve credit risk exposures outside the authority delegated to management.
25. Review the credit risk profile, performance and management of the Company's credit portfolio, including portfolio asset quality, portfolio concentrations, provisioning levels, bad debt performance, risk rating system and associated risk estimates.
26. Review and approve material changes, as determined by the Chief Financial Officer, to the provisioning methodology for the Company.

Market risk

27. Review and approve the Company's Market Risk Management Framework.
28. Review and approve key policies and limits supporting the Market Risk Management Framework, including but not limited to Value at Risk Limits and Present Value Basis Point Sensitivity.
29. Review the monitoring of the Company's market risk performance and exposure against limits.

Liquidity risk

30. Review and approve the Company's Liquidity Risk Management Framework.

31. Review and approve key policies and limits supporting the Liquidity Risk Management Framework.
32. Review and approve the annual funding strategy for the Company and oversee management's monitoring of that plan.
33. Oversee stress testing results, including approving liquidity targets and limits.

Operational risk

34. Review and approve the Company's Operational Risk Management Framework.
35. Review the monitoring of the performance of operational risk management and controls.
36. Review and approve key policies supporting the Operational Risk Management Framework.

Compliance management

37. Review and approve the Company's Compliance Management Framework.
38. Review the compliance processes that are in place to anticipate and effectively manage the impact of regulatory change on the Company's operations.
39. Review compliance by the Company with applicable laws, regulations and regulatory requirements that may impact the Company's risk profile.
40. Discuss with management and the external auditor any correspondence with regulators or government agencies and any published reports that raise issues material to the Company.
41. Review the policies and procedures for the receipt, retention and treatment of complaints received by the Company about accounting, internal control, audit, compliance or other matters about which an employee has concerns.

Other risks (including environmental, social and governance risk, equity risk, related entity risk, insurance risk, anti-money laundering, counter terrorism financing, bribery and corruption, and others as identified by the Committee)

42. Review and approve other risk management frameworks not specifically referred to in this Charter, and/or review the monitoring of performance under those frameworks (as appropriate).

Other responsibilities

43. Monitor changes anticipated for the economic and business environment, including consideration of emerging trends and other factors considered relevant to the Company's risk profile and risk appetite.
44. Receive and review reports as required by regulation.
45. Recommend to the Board the appointment and removal of the Risk & Compliance Manager.
46. Review the performance of, and set objectives for, the Risk & Compliance Manager. The Risk & Compliance Manager will have unfettered access to the Company and the Committee.
47. Review and update the Charter at least every two years and recommend changes to the Board for approval.

48. Review its own performance as part of the annual Board evaluation process and report such findings to the Board.
49. Members of the Committee will be available to meet with APRA on request.