



NGĀTI WHĀTUA ŌRĀKEI

Trustee Limited

Risk Assurance and Audit Committee – Terms of Reference

Description: Terms of Reference for the Risk Assurance and Audit Committee of the Ngāti Whātua Ōrākei Trust

Approved by: Ngāti Whātua Ōrākei Trustee Limited Board Resolution

Date: 28 February 2020

1. Purpose and Mandate

- 1.1 The purpose of the Risk Assurance and Audit Committee (“the Committee”) is to advise and assist the Ngāti Whātua Ōrākei Trustee Limited Board (the “Board”) in discharging its responsibilities with respect to financial reporting, compliance and risk management practices.
- 1.2 This is particularly in relation to the obligations of Ngāti Whātua Ōrākei Trustee Limited (“NWOT” or “the Company”) as specified in the Ngāti Whātua Ōrākei Trust Deed (“Trust Deed”) and as required by laws, regulations and good practice associated with Company and Trust management.
- 1.3 The Ngāti Whātua Ōrākei Group (“the Group”) refers to the Company and all subsidiaries.
- 1.4 The Committee is authorised by the Board to undertake any activity pursuant to its functions and responsibilities defined in this document or otherwise assigned to it by the Board. The Committee, acting reasonably, is authorised to seek any information it requires from any employee of the Company or Group, and to request their attendance at Committee meetings, with notice to the relevant Board Chair¹.

¹ Notice to the Chair is not required for a Committee member to seek or an employee to provide information pursuant to the Protected Disclosures Act 2000.



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- 1.5 Unless specifically mandated, the Committee has recommendatory powers only. Final decision-making powers rest with the Board.

2. Definitions

- a) “Board” – the Board of Directors of Ngāti Whātua Ōrākei Trustee Ltd
- b) “Trust” – the Ngāti Whātua Ōrākei Trust
- c) “Trust Deed” – the Deed of settlement of the Ngāti Whātua Ōrākei Trust, dated 3 November 2011
- d) “Group” – NWOT and all subsidiaries

3. Matapono

- 3.1 The Committee must conduct itself if in a way that reflects the matapono embedded in the Ngāti Whātua Ōrākei Group strategy which are outlined below:

- a) Tino Rangatiratanga
Kia tū a Ngāti Whātua Ōrākei i runga i tōna anō tino rangatiratanga
We are self-reliant as Ngāti Whātua Ōrākei, now and forever
- b) Rangatiratanga
Kia whakatinana i ngā āhuetanga tika o te rangatiratanga puta noa te hapū Manaakitanga
To live and practise positive leadership throughout the hapū
- c) Manaakitanga
Ko te whānau kei te pokapū o ngā kaupapa manaaki a te poari. Whai muri, kia rongonā hau e whā i te kakara o te manaaki o Ngāti Whātua Ōrākei
Whānau are the core focus of hapū development. Our host responsibility to others will positively reflect our role as tangata whenua
- d) Whanaungatanga
Kia kitea te mana me te tapu o ia kāwai heke i heke iho ai i a Tūperiri hei rangitāmiro i a tatou
To embrace and acknowledge the importance of our whakapapa and relationships and how these binds us together
- e) Kotahitanga



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Kia kotahi te tū kia kotahi te hoe

Stand as one and work together

f) Kaitiakitanga

Kia tiakina ō tātou whānau, ō tātou whenua, ā tātou taonga me ā tātou rawa mō āke tonu atu

To protect our people, our lands, our resources and our taonga forever

g) Mana Taurite

Kia taurite te whai wāhi atu o ngā uri ki ngā painga me ngā angitu

All hapū members have equal access to benefits and opportunities

h) Ahi kaa

Kia kōwhiuwhiutia tonutia te ahi kā, kei pūrēhua, ā, ka kewa

To uphold the unique and important role that Orākei papakāinga maintains across Tāmaki Makaurau

i) Wairuatanga

Ko tō wairua ki te Atua, nāna nei ngā mea katoa

Spirituality is a key component of our identity and wellbeing

4. Relevant Legislation and Authoritative Guidance

- Companies Act 1993
- Financial Reporting Act 2013
- Ngāti Whātua Ōrākei Claims Settlement Act 2012
- Charities Act 2005
- Trustee Act 1956
- Trusts Act 2019
- Health and Safety at Work Act 2015 and Regulations
- Protected Disclosures Act 2000
- Privacy Act 1993
- Ngāti Whātua Ōrākei Trust Deed dated 3 November 2011



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- Constitution of Ngāti Whātua Ōrākei Trustee Ltd, dated 10 August 2012
- The Four Pillars of Governance Best Practice, Institute of Directors, 2017
- Corporate Governance in New Zealand, Principles and Guidelines, Financial Markets Authority, 2018
- Any legislation and authoritative guidance in replacement or substitution of or addition to that listed

5. Scope and Responsibilities

Scope of Committee Activity

- 5.1 To review and where necessary make recommendations to the Board in respect of financial reporting systems, processes, practices, controls, documents, policies and related matters.
- 5.2 To review and where necessary make recommendations to the Board in respect of the external auditors for the Group and any internal audit and assurance function, to manage the relationship with the external auditor (including ensuring independence is maintained), and to approve the appointment and monitor performance of the auditor
- 5.3 To review and where necessary make recommendations to the Board in respect of risk management, health and safety, and compliance matters.
- 5.4 To provide an open avenue for communication between the internal auditor, the external auditor, the Board, and the Boards of NWOT's subsidiaries.

6. Specific Responsibilities of the Committee

Audit and Assurance

- 6.1 Review and assess the performance and independence of the external auditors;
- 6.2 Regularly meet with the external auditors and facilitate the open identification and discussion of relevant issues;
- 6.3 Review the external auditor's annual audit and assurance plan and reports and make any recommendations to the Board relevant to the audit and assurance process;
- 6.4 Establish and oversee an internal audit and assurance program appropriate for the Company and Group.
- 6.5 Review all audit and assurance findings and ensure that recommendations highlighted in audit reports are actioned by management.



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Financial Reporting

- 6.6 Ensure that appropriate financial reporting and internal control processes are in place for the Company and monitor the effectiveness of these controls;
- 6.7 Review the draft annual financial statements for the Group with a particular emphasis on:
 - 6.7.1 Material accounting policy changes proposed by management;
 - 6.7.2 Major judgement areas and complex or unusual transactions and disclosure items;
 - 6.7.3 Any legal matters that could significantly impact the financial statements;
 - 6.7.4 Processes, systems, and practices used in creating the draft annual financial statements for the Group.
- 6.8 Make recommendations to the Board in relation to the adoption of the Group financial statements.

Risk Management

- 6.9 Establish and monitor processes in place to ensure risks are identified and reported by management of the Company and subsidiaries.
- 6.10 Maintain and review the Group Risk Management Policy and related policies, Risk Management Framework, and Risk Register.
- 6.11 Acknowledging risk management is the Board's responsibility, facilitate the Group's consideration of its risk appetite.
- 6.12 Review Company policies to ensure legal and Trust Deed compliance.
- 6.13 Review health and safety governance practices to ensure good practice compliance
- 6.14 Review environmental, sustainability, climate change governance, and cultural competency practices to ensure good practice compliance.
- 6.15 Review employee policies and practices, including any policies and procedures associated with protected disclosures/whistle blowing.

7. Composition

- 7.1 The Committee shall be comprised of five (5) members which shall include the following:
 - 7.1.1 Two (2) elected representatives and Company Directors who are not also Directors of Whai Maia or Whai Rawa.
 - 7.1.2 One (1) Board representative from Whai Rawa.
 - 7.1.3 One (1) Board representative from Whai Maia.



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- 7.1.4 One (1) independent member.
- 7.2 All members, except the independent member, may appoint one other person to be their alternate and to attend and vote at all meetings of the Committee at which the appointing member is absent during the term of the appointing member's appointment. If an alternate is appointed, it must be a representative of the entity represented by the appointing member.
- 7.3 A temporary deficiency in composition does not invalidate proceedings of the Committee.
- 7.4 All appointments to the Committee must be approved by the Board.
- 7.5 The Chair of the Committee will be appointed by the Board and must not also be the Chair of the Board.
- 7.6 At least one member of the Committee must have an accounting and/or finance professional qualification and have the requisite experience to understand financial reporting and controls.
- 7.7 Remuneration for Committee members will be set by the Board.

8. Meetings and Reporting

- 8.1 The Committee will meet as needed but at least once per quarter.
- 8.2 A quorum for meetings shall be more than half of the members of the Committee with a preference (but not requirement) for one (1) representative, or their alternate, from each named entity being in attendance at every meeting.
- 8.3 Meetings are open for all Directors to attend.
- 8.4 Meeting minutes must be recorded and made available to all Directors.
- 8.5 The Committee is required to report to the Board at least once a year or more frequently if required. The reporting should outline how the Committee has discharged its responsibilities as outlined in these Terms of Reference.

9. Administration and Support

- 9.1 The Committee will be supported by the Chief Executive of the Trust and resourced sufficiently to enable effective delivery of their mandate.

10. Review and/or Amendments

- 10.1 These Terms of Reference can be reviewed at any time deemed necessary by either the Committee or the Board. Any amendments require a formal resolution of the NWOT Board before they are effective.