

BOARD CHARTER

Purpose

1. This Board Charter sets out the role, responsibilities, composition and procedures of the GSFA Board.
2. The purpose of the Board Charter is to ensure a high standard of governance.

The organisation

3. The Government Superannuation Fund Authority (GSFA or the Authority) was established in 2001 under the [Government Superannuation Fund Act 1956](#) (the GSF Act) to manage and administer the Government Superannuation Fund and the schemes (together referred to as the Fund).
4. Provisions affecting the Board's governance, Board members and reporting are set out in the GSF Act and the [Crown Entities Act 2004](#) (the CE Act).
5. The Board recognises the importance of focusing on the governance of the Authority and achieving the Authority's strategic outcomes, rather than management and day-to-day operations of the organisation.
6. GSFA has established a 50:50 joint venture company, Annuitas Management Limited (Annuitas), in conjunction with the Board of Trustees of the National Provident Fund (NPF).
7. A joint venture agreement governs Annuitas' relationship with the Authority and NPF and both organisations contract for services with Annuitas under their respective Management Services Agreements (MSA)
8. Annuitas is charged with providing services to enable the day-to-day management of the Authority, acting within authorities delegated by the Board, as specified in the MSA.
9. Annuitas provides executive services covering schemes administration, investment management, finance, risk management and board secretariat services.

Governance principles:

10. The Board has adopted the following best practice principles:
 - a. Board members will observe and foster high ethical standards and act with integrity at all times.
 - b. There will be a balance of skills, knowledge, experience and perspectives among Board members so that the GSFA Board works effectively.
 - c. The Board will use committees where this will enhance its effectiveness in key areas while retaining full Board accountability.
 - d. The Board will demand integrity both in financial reporting and in the timeliness and balance of disclosures made.
 - e. The Board will regularly verify that the Authority has appropriate processes that identify and manage potential and relevant risks.
 - f. The Board will ensure the quality and independence of the external audit process.
 - g. The Board will respect the interests of stakeholders, especially those of the Crown and of scheme members.

Board values

11. The Board has adopted the following values that set expectations for Board members' interactions with each other and with GSFA's stakeholders and commercial partners.
 - a. **Excellence:** We are dedicated to continually improving our skills, knowledge, and processes. We embrace new ideas, seek out feedback, and strive for excellence in

everything we do.

- b. **Stakeholder-centricity:** Our goal is to meet the needs and reasonable expectations of stakeholders, including the Crown, members and contributing employers.
- c. **Integrity:** We are committed to upholding the highest standards of respect, honesty, transparency, and ethical behaviour in all our interactions with stakeholders, colleagues, and partners.
- d. **Teamwork:** We believe in the power of collaboration and teamwork. We foster a supportive and inclusive culture where everyone is valued and respected. We work together to achieve our goals, celebrate our successes, and learn from our challenges.

Board members' collective duties and responsibilities

- 12. The individual and collective duties of the Board are set out in the CE Act. Collective duties include a duty to ensure that the Authority acts in a manner consistent with its objectives, functions, Statement of Intent and Statement of Performance Expectations; and performs its functions efficiently and effectively, in a manner consistent with the spirit of service to the public and in collaboration with other public entities where practicable.
- 13. Board members must ensure that all legal requirements under the relevant Acts are met, and that the entity is protected from harmful situations and circumstances in the interests of current and future stakeholders.
- 14. Specific responsibilities of the Board include:
 - a. *Legal duties:* Board members must fulfil their fiduciary duty to act lawfully and in GSFA's best interest at all times regardless of personal position, circumstances or affiliation. They should be familiar with all GSFA's constitutional and legal arrangements.
 - b. *Strategy:* approving and oversight of appropriate strategies, annual budgets, business plans, (subject to the approval of the Minister of Finance) Statements of Intent and Statements of Performance Expectations.
 - c. *Annuitas:* evaluating the performance of Annuitas in relation to the services specified under the MSA.
 - d. *Audit:* ensuring that effective audit systems are in place, facilitating regular and full dialogue between the ARRC, external auditors and Annuitas management.
 - e. *Risk appetite:* setting the risk appetite, including the Reference Portfolio and active risk budgets for the Fund and the risk boundaries for the Authority.
 - f. *Risk management and compliance:* managing all types of risk with the ARRC making recommendations on preventable risks and ensuring that effective risk management and compliance systems are in place.
 - g. *Privacy:* approving (and regularly reviewing) strategies on Privacy to ensure effective systems are in place to address Privacy risks and monitor those systems.
 - h. *Operational efficiency:*
 - i. taking an active interest in legislative and other developments which affect the Authority's ability to operate efficiently;
 - ii. encouraging a disciplined and innovative approach to improving operational efficiency; and
 - iii. encouraging cost-effective compliance.
- 15. Board members must always comply with the express terms and spirit of their statutory obligations to the Authority, including acting honestly and in good faith and in what they reasonably believe to be the best interests of the Authority. This includes compliance with the Authority's Acceptable Conduct Policy and the Public Service Commission's [Code of Conduct for Crown Entity Board Members](#).

16. Board members are expected to act in a politically impartial manner and conduct themselves in a way that enables them to act effectively under current and future governments. This includes not making political statements, engaging in political activity in relation to the functions of the Authority, and acting in ways that places Ministers or entities they are responsible for in a position of embarrassment.
17. Board members must ensure that information they hold about the Authority is kept securely and treated in strict confidence, and that property of the Authority (including information) is used solely in the best interests of the Authority.

Conflicts of interest

18. [Sections 62 to 72 of the CE Act](#) govern potential conflicts of interest which may arise between Board members and the Authority's business.
19. The Board is subject to the [Public Services Commission's Model Standards](#) and the CE Act for identifying and managing conflicts of interest.
20. Board members must advise the Chair of all outside Board memberships or other appointments and interests, noting those specifically which may have a bearing on their role as an Authority Board member, prior to becoming a Board member; and thereafter in respect of any new appointment, prior to taking up such an appointment.
21. Where conflicts (or potential conflicts) of interest may arise, Board members must formally notify any matter relating to that conflict (or potential conflict) in the following manner:
 - i. if the conflict is identified by the Board Member or Chair:
 - i. Board Member notifies the Board Chair and Annuitas; or
 - ii. Board Chair notifies Annuitas and the Deputy Chair.
 - ii. if the conflict is identified by Annuitas staff:
 - i. in the case of a Board member, the Chief Executive of Annuitas notifies the Board Chair and the affected Board Member; or
 - ii. in the case of the Board Chair, the Chief Executive notifies the Deputy Chair and the Board Chair.
22. GSFA Board members also serve on the NPF and Annuitas Boards. When acting on matters that affect both the Authority and one or both of the other two boards, Board members must consider the interests of each entity independently.
23. As GSFA Board members are also interested in the NPF Board, the Minister of Finance has granted (under [section 68\(4\) of the CE Act](#)) permission for Board members to act on issues where that interest might otherwise create a conflict.
24. Board members should not undertake consulting work for the Authority. This does not preclude a Board member from undertaking assignments for the Board that fall within the scope of his/her normal duties, but it does preclude the Board member from carrying out, for example, a consulting assignment that would otherwise be contracted to a third party. If the Chair considers that an exception to this rule is justified, the chair must document their reasoning and refer the circumstances to the Minister of Finance for approval in advance.

Accountability

25. The Authority has certain reporting obligations under the CE Act:
 - a. It must prepare and publish a triennial Statement of Intent setting out the strategic objectives that the Authority intends to achieve or contribute to.
 - b. It must prepare and publish an annual Statement of Performance Expectations setting out what it expects to achieve in the coming year and what it expects the performance of the Fund to be.

- c. It must prepare and publish an Annual Report including a report against the expectations set out in the SPE.
26. The Authority also has accountability obligations under the GSF Act, including:
- a. It must prepare, publish, and review annually, a [Statement of Investment Policies, Standards and Procedures](#).
 - b. It must prepare and publish a [Statement of Policies](#) with respect to how it exercises its discretionary powers under the GSF Act.

Board composition

27. Section 15A(4) of the GSF Act specifies that the Board must comprise at least four, but no more than seven, members. The structure of the Board is otherwise set out in sections 28 to 46 of the CE Act. Board members are appointed and removed by the Minister of Finance.
28. The Board will annually review the qualifications and skills represented by the Board members and will look to ensure that the Treasury (as advisors to the Minister of Finance) remains apprised of the composition and mix that the Board believes is appropriate to achieve the Authority's strategic aims.
29. From 1 January 2026, the Minister of Finance has appointed the same members to the Authority and NPF Boards. These members also comprise the Annuitas Board.

Induction, indemnification and Board fees

30. New Board members will have the benefit of an induction programme aimed at deepening their understanding of the Authority.
31. The Authority indemnifies each Board member in a standard form of deed approved by the Board and provides Board members with insurance cover while acting in good faith in their capacities as Board members.
32. Board and Committee members' remuneration is set by the Minister of Finance in accordance with section 47 of the CE Act. Members are also entitled to be reimbursed for actual and reasonable travelling and other expenses incurred in carrying out their Board member duties under section 48 of the CE Act.
33. Board members of the Authority are also appointed to the Annuitas Board in accordance with the joint venture agreement. Members are not remunerated separately for this work.

Committees

34. Board Committees exist to increase the overall effectiveness and efficiency of the Board. Committees have no legal standing, and all Board members remain accountable for Committee activities. Committees do not take actions or make decisions on behalf of the Board, except where they have been specifically mandated to do so.
35. The Board has two standing Committees:
- i. the Audit & Risk Review Committee (ARRC); and
 - ii. the Investment Committee (IC).
36. From time to time the Board may create specific sub-committees to deal with particular matters and/or to have certain decision-making authority as may be delegated by the Board.
37. The Board appoints the members and Chair of each Committee. The Board Chair is an ex-officio member of each Committee but may not chair any Committee.
38. Each Committee operates under the Terms of Reference (ToR) agreed by the Board. The ToR of each standing Committee is formally reviewed by the Committee and the Board every two years, or when the Board otherwise determines necessary. The ToR for each of the standing Committees are an addendum to this Charter.

39. Each Board member has unrestricted access to all committee meetings and records. The Board receives, as set forth in the ToR of the committee concerned, a report from the committee describing the committee's actions and findings.

The Chair

40. The Chair and Deputy Chair are appointed by the Minister of Finance.

41. The Chair's role is to manage the Board effectively and provide leadership and guidance consistent with the Minister's expectations, to ensure that it is operating to the highest governance standards. Specific responsibilities of the Chair include:

- i. developing and maintaining sound relationships with Ministers, relevant officials and other stakeholders.
- ii. ensuring a biennial performance review of the Board as a whole, as well as of the Chair and members individually.
- iii. fostering a constructive governance culture and ensuring that members and Annuitas staff apply appropriate governance principles.
- iv. ensuring that the Authority's governance arrangements are continually reviewed and updated to reflect current best practice.
- v. providing the necessary guidance and support to the Chief Executive and the Executive Team of Annuitas to ensure the Authority and the Fund are managed effectively.
- vi. ensuring that all members are enabled to and encouraged to play their full part in the affairs of the Board and have adequate opportunities to express their views.
- vii. promoting cooperation, mediating between different perspectives and leading informed debate and decision making.

Meeting procedures

42. The Board will meet at least six times a year on a formal, scheduled basis and on other occasions as may be required. Members must notify the Chair of any absences.

43. A quorum of the Board is four members.

44. The procedures in clauses 6 to 13 of [Schedule 5 of the CE Act](#) apply to the Board.

45. The Board has sole authority over its agenda which will be set by the Chair in consultation with the Chief Executive of Annuitas. Any Board member may, through the Chair, request the addition of an item to the agenda.

46. If the Chair is absent from a meeting, the Deputy Chair will act as Chair of the meeting. If neither are present, the members of the Board who are present at the meeting may choose one of the members present to chair that meeting.

47. A special meeting may be called by the Chair (or, in the Chair's absence, the Deputy Chair (if any), and in the Deputy Chair's absence, any other Board member), in exceptional circumstances. At least 5 days' notice of a meeting of the Board should be given unless the Chair (or meeting convenor) believes that the urgency is such that shorter notice is required, so long as at least 2 hours' notice is given. Any such shorter notice may be given by telephone communication to each Board member where it is not practicable to give written notice within that timeframe.

48. The Chair or any Board member may propose a motion to a meeting and will not require a seconder for such a motion.

49. The Board may request members'-only time prior to the commencement of, or at the conclusion of, a Board meeting.

- a. Matters discussed in members'-only time will not be formally minuted. If a formal record is required such matters would be communicated by the Chair to the Board

meeting and recorded as part of the minutes of that Board meeting.

- b. Board members are to notify the chair at least 48 hours in advance of the meeting of items that they wish to be discussed in Board only time.
50. The Board Secretary will be a person designated to that role by Annuitas. Other than during Board member only time, the Board Secretary is to be present throughout all Board meetings.
51. The Board Secretary, or other Annuitas employee agreed by the Chair, will take minutes of each meeting, which will be presented for approval at the next scheduled meeting of the Board.
52. Board members are to notify the chair at least 48 hours in advance of the meeting of items they wish to be discussed in general business.
53. Board papers are to be received at least 5 working days in advance of Board meetings
54. Board members are encouraged to seek clarification on matters in Board papers, prior to the Board meeting. This clarification is to be sought through the Chair to the Annuitas Chief Executive, or directly with the Annuitas Chief Executive on the Chair's approval.

Delegations

55. Certain powers cannot be delegated by the Board. Part 1 and Schedule 4 of the GSF Act, together with Sections 73 to 76 of the CE Act, governs the Board's powers of delegation. Subject to certain caveats, Section 5 of the MSA with Annuitas delegates to Annuitas functions or powers of the Board, except those expressly reserved by Schedule 4 of the MSA. The Board has also formally delegated responsibilities and authorities to the Audit & Risk Review Committee (ARRC) and the Investment Committee (IC).
56. Delegated authorities are subject to regular review by the Board but may be changed or withdrawn at any other time at the sole discretion of the Board.

Access to information and independent advice

57. Board members may access such Authority information and advice as they consider necessary to fulfil their responsibilities and permit independent judgement in decision-making. Any queries as to matters of management will be provided to the Chief Executive of Annuitas for action, with correspondence to be copied to the Board Chair. Members may have access to external auditors without management present.
58. Board members are entitled to obtain, at the Authority's cost, independent professional advice relating to the discharge of their responsibilities as a Board member. Board members are expected to consult the Chair and Annuitas Chief Executive prior to obtaining the advice, to ensure independence and avoid duplication.
59. Where the advice relates to the Chair, Board members should consult the Deputy Chair. Where the advice relates to the Chief Executive of Annuitas, Board members should consult the Chair only. A copy of any advice will be made available to all Board members (other than in exceptional circumstances).

No surprises protocol

60. The Authority has a "no surprises" protocol between the Board and the Minister, and Annuitas and the Board. It is anticipated that the Chair will meet with the Minister on an as needed basis.

Evaluation of Board performance

61. The performance of the Board will be independently evaluated biennially and will include Board effectiveness as a whole and a review of the performance of individual Board members including the Chair. The Chair will meet with each Board member following the review to provide feedback on individual performance and in turn to seek from individual Board members feedback on the Chair's own performance.

62. In years where an external review is not undertaken, the Board will undertake a self-assessment of performance. Executive summaries of Board evaluations will be shared with Treasury.

Relationship with Annuitas Executive

63. Annuitas' Chief Executive (the CE) is the primary point of accountability between the Board and Annuitas Executive.

64. The CE is accountable to the Board for the services specified under the MSA and for the authority that is delegated to Annuitas. The CE works in a constructive partnership with the Board and provides his or her free and frank advice to the Board.

65. Annuitas staff report to the Board through the CE, at Board meetings through operational reports (that have been approved by the CE). The CE reports directly to the Board at Board meetings.

66. The CE maintains an informal link with the Board through the Chair between Board meetings and keeps the Chair informed of all important matters on a "no surprises" basis. The Chair is available to the CE to provide counsel and advice where appropriate, but only the Board acting as a body can make decisions that are binding on Annuitas.

67. The Board will meet from time to time without the CE or Annuitas staff in attendance, where this is appropriate.

Related policies

68. This Charter should be read in conjunction with the following organizational policies:

- i. Acceptable Conduct Policy
- ii. Expenditure Policy
- iii. Health, Safety & Wellness Policy
- iv. Information and Records Management Policy.

Review

69. This Charter has been approved by the Board and will be reviewed every three years by the Board.

Approved – 23 February 2026

GSFA Board Charter Appendix 1

GOVERNMENT SUPERANNUATION FUND AUTHORITY BOARD INVESTMENT COMMITTEE

TERMS OF REFERENCE

1. Role

1.1. The Investment Committee (the "Committee") is a Committee of the Board of the Government Superannuation Fund Authority (the "Board"). Its function is to assist the Board in fulfilling its responsibilities in terms of the Government Superannuation Fund Act 1956 (the "Act") to invest the Government Superannuation Fund (the "Fund") on a prudent, commercial basis and, in doing so, to manage and administer the Fund in a manner consistent with:

- a) best-practice portfolio management; and
- b) maximising return without undue risk to the Fund as a whole; and
- c) avoiding prejudice to New Zealand's reputation as a responsible member of the world community.

and to ensure the Board adheres to its Statement of Investment Policies, Standards and Procedures ("SIPSP").

2. Responsibility of the Board

- 2.1. The functions of the Authority in terms of Section 15D of the Act, are to manage and administer the Government Superannuation Fund and Schemes in accordance with the Act.
- 2.2. All decisions relating to the business of the Authority are made by or under the authority of the Board. The Board has all the powers necessary for managing the business of the Authority and for directing or supervising its management.
- 2.3. Under Section 73 of the Crown Entities Act, the Board may delegate any of its functions or powers to a committee of the Board or to any person.
- 2.4. The Board has delegated to the Committee responsibility to consider, and decide where necessary, those matters shown in Appendix 1 as reported only to the Committee.

3. Role of the Committee

- 3.1. Subject to those powers and responsibilities reserved to the Board, the Committee will assist the Board in the following matters:
 - 3.1.1. Reviewing the SIPSP and compliance with it.
 - 3.1.2. Reviewing the performance of investment strategies according to the frequency established by the Board.
 - 3.1.3. Considering expert independent advice with respect to investment strategy performance reviews and SIPSP compliance.
- 3.2. The Committee shall have the power to conduct or authorise investigations or reviews into any matters within the Committee's scope of responsibilities, within budgets approved by the Board.

3.3. Unless otherwise specified by the Board, the Committee has the power to make decisions with respect to those matters shown in Appendix 1 as reported only to the Committee.

3.3.1. Nothing in this clause stops the Committee from referring to the Board any matter for decision.

3.4. In meeting these responsibilities, the Committee will:

SIPSP

3.4.1. Approve SIPSP changes that are of a minor, or procedural nature.

3.4.2. Review with Management and the Investment Consultant compliance with the SIPSP.

Strategy reviews

3.4.3. Consider the annual review of capital market assumptions and the triennial review of the methodology to determine those.

3.4.4. Consider the annual reviews of each asset class.

3.4.5. Consider the triennial reviews of:

- Dynamic asset allocation.
- Currency management.
- Securities lending.
- Class actions.

Investment consultant

3.4.6. Review the performance of the investment consultant.

4. Reporting

4.1. Attached as Appendix 1 is the reporting schedule for the Committee.

4.2. Where a paper considered by the Committee is being referred on to the Board for further review or final decision, the Committee will make a recommendation to the Board as to what it believes is the appropriate course of action.

4.3. The Chair of the Committee will give a summary of the Committee's deliberations at the subsequent Board meeting.

5. Relationships

5.1. The Committee will work closely with Annuitas in fulfilment of the Terms of Reference and the provision of services by Annuitas to the Authority.

5.2. The Committee will liaise as necessary with Annuitas and the Investment Consultant to enable it to advise the Board on investment issues. It will meet with the Investment Consultant, separate from Annuitas, at least once a year.

6. Membership

6.1. The membership of the Committee will comprise at least two members of the Board. One member of the Committee will act as its Chair. The Chair of the Board is an ex officio member of the Committee.

6.2. A quorum comprises any two Committee members. Any other Board member may attend and participate in meetings of the Committee.

6.3. Membership of the Committee must be reviewed at least every three years, and rotation of member's appointments is to be encouraged.

7. Meetings

- 7.1. Meetings will take place at times agreed by the Committee. It is expected to meet regularly as required, usually two weeks prior to a quarterly Board meeting.
- 7.2. Minutes of all Committee meetings will be available to all Board members via Diligent.
- 7.3. Working in conjunction with the Committee Chair, Annuitas' Chief Investment Officer will determine a timetable and agenda to ensure that all reporting matters within the Committee's responsibility are considered each year.
- 7.4. The Committee shall invite Annuitas staff, the Board's Investment Consultant and representatives of other organisations, as it deems necessary, for the conduct of its business.

8. Review

- 8.1. The Committee's Terms of Reference will be reviewed triennially to ensure its activities remain consistent with the Authority's responsibilities.
- 8.2. The Committee will review its own performance annually, alternating between a minuted discussion and a documented questionnaire, and the Chair of the Committee will report to the Board following each review.

9. Administration

- 9.1. Annuitas' Chief Investment Officer will act as Secretary of the Committee and may delegate this responsibility as required.

10. Approval

- 10.1. Last approved by the Board February 2026.

Appendix One – Reporting Schedule

Lead	Reporting items	Reporting line			
		IC	Freq.	Board	Freq.
CIO	CIO report			✓	Quarterly
CIO	Quarterly Investment Report			✓	Quarterly
CIO	Responsible Investment Update incl. Climate Change			✓	Quarterly
CIO	Target Portfolio Review			✓	Yearly
CIO	CEM Benchmarking			✓	Yearly
CIO	Review of Investment Framework (incl. beliefs)			✓	3 Yearly
CIO	Liquidity Policy			✓	3 Yearly
CIO	Rebalancing Policy			✓	3 Yearly
CIO	Review of Fund investment objective			✓	3 Yearly
CIO	Review of Reference Portfolio (incl. FX)			✓	3 Yearly
CIO	Custodian Review			✓	5 Yearly
CIO	IC self-review - minuted discussion	✓	2 Yearly	✓	2 Yearly
CIO	IC self-review - survey	✓	2 Yearly	✓	2 Yearly
CIO	IC Terms of Reference review	✓	3 Yearly	✓	3 Yearly
CIO	SIPSP review – minor changes*	✓	Yearly		
CIO	SIPSP review – material changes			✓	As req'd
CIO	Investment Consultant – contract review			✓	5 Yearly
CIO	Investment Consultant – performance review*	✓	Yearly		
CIO	Compliance with SIPSP – Governance & Strategy*	✓	3 Yearly		
CIO	Compliance with SIPSP – Responsible Investment*	✓	3 Yearly		
CIO	Compliance with SIPSP – Risk Mgmt. & Monitoring*	✓	3 Yearly		
CIO	Capital Markets Assumptions*	✓	Yearly		
CIO	Capital Markets Assumptions methodology*	✓	3 Yearly		
CIO	Global Bonds*	✓	Yearly		
CIO	NZ Bonds*	✓	Yearly		
CIO	Global Public Equities*	✓	Yearly		
CIO	NZ Public Equities*	✓	Yearly		
CIO	Global Private Equities*	✓	Yearly		
CIO	NZ Private Equities*	✓	Yearly		
CIO	Life Settlements*	✓	Yearly		
CIO	Catastrophe Risk*	✓	Yearly		
CIO	Dynamic Asset Allocation Review*	✓	3 Yearly		
CIO	Currency Management*	✓	3 Yearly		
CIO	Securities Lending*	✓	3 Yearly		
CIO	Class Actions*	✓	3 Yearly		

* These matters may be reviewed, and decided upon as necessary, by the Committee without reference to the Board

GSFA Board Charter Appendix 2

GOVERNMENT SUPERANNUATION FUND AUTHORITY BOARD AUDIT & RISK REVIEW COMMITTEE

TERMS OF REFERENCE

1. Scope

- 1.1. The Audit and Risk Review Committee ("the Committee") is a committee of the Government Superannuation Fund Authority Board ("the Board").
- 1.2. Its function is to assist the Authority in fulfilling its responsibilities with respect to internal controls, accounting policies, financial statements approval, risk management and the nature, scope, objectives and functions of external and internal audit in respect of the Authority and the Government Superannuation Fund ("the Fund").
- 1.3. The Committee is not responsible for allocating the appropriate level of financial risk taken in the Fund or within strategies, sub-strategies and individual investments of the Fund.

2. Responsibility of the Board

- 2.1. All decisions relating to the business of the Authority are made by or under the authority of the Board.
- 2.2. The Board has all the powers necessary for managing, and for directing or supervising the management of, the business of the Authority.
- 2.3. Under Section 73 of the Crown Entities Act, the Board may by writing, either generally or specifically, delegate any of its functions or powers to a committee of the Board or to any person.
- 2.4. The Board has delegated to the Committee responsibility to consider, and decide where necessary, those matters shown in Appendix 1 as reported only to the Committee.

3. Role of the Committee

- 3.1. Subject to those powers and responsibilities reserved to the Board, the Committee will assist the Board in the following matters:
 - 3.1.1. Reviewing the financial reports of the Fund and the Authority, as provided to the Crown and other external parties, and tabled in the House.
 - 3.1.2. Reviewing the reporting and performance monitoring systems developed with the Fund's administration manager and custodian.
 - 3.1.3. Reviewing and ensuring the independence of the external audit process.
 - 3.1.4. Reviewing the processes established by Annuitas to identify and respond to key risks including business continuity issues.
 - 3.1.5. Reviewing the assurance programme elements.
 - 3.1.6. Approving policy changes that are of a minor, or procedural, nature.
- 3.2. The Committee shall have the power to conduct or authorise investigations or reviews into any matters within the Committee's scope of responsibilities, within budgets approved by the Board.

- 3.3. Unless otherwise specified by the Board, the Committee has the power to make decisions with respect to those matters shown in Appendix 1 as reported only to the Committee.
- 3.3.1. Nothing in this clause stops the Committee from referring to the Board any matter for decision.

- 3.4. In meeting these responsibilities, the Committee will:

Audit Process

- 3.4.1. Ensure open communication between the Board, Office of the Controller and Auditor-General (OAG) and the contracted auditor appointed by the OAG (Auditor).
- 3.4.2. Liaise with the OAG on any relevant matters, including
- a) the appointment of the Auditor, and
 - b) any special reviews or investigations initiated by the OAG.
- 3.4.3. Recommend to the Board the annual audit fee, and review annually the performance of the Auditor.
- 3.4.4. Review with Annuitas, the audit scope and annual plan of the Auditor, ensuring no restrictions are placed on the Auditor by Annuitas.
- 3.4.5. Review, with Annuitas and the Auditor, the co-ordination of audit effort to assure completeness of coverage, reduction of duplicate and redundant effort, and effective use of all audit resources.

Risk Management

- 3.4.6. Maintain oversight of Annuitas' identification, assessment, management and monitoring of key areas of financial and non-financial risk and exposure (inherent, residual and target) facing the Authority, the Fund and the GSF Schemes.
- 3.4.7. At least annually ensure that the Board considers whether any changes are required to the key risk profile and the management thereof.
- 3.4.8. Maintain oversight of the assurance programme and associated reporting of the assurance elements.
- 3.4.9. Consider and review with Annuitas during the year:
- the processes for assuring ongoing compliance with contracted arrangements and for the management of key risks, in the Fund's scheme administration and custodian functions, including computerised information systems control and security.
 - any related significant findings and recommendations of the Auditor, together with Annuitas' responses.
 - the appropriateness of accounting policies, including any changes in relevant accounting standards and legislation impacting on the preparation of financial statements.

Annual Financial Statements

- 3.4.10. Review, with Annuitas and the Auditor, at the completion of the annual audit:
- the Fund's and the Authority's financial statements and related note disclosures including the assessment of significant estimates and judgements in the financial statements.
 - the audit of the financial statements.

- written representations from the custodian, the taxation advisor, lawyers and Annuitas.
- whether the GSF Schemes and the Fund continue to meet the going concern assumptions and can continue to pay benefits in the foreseeable future.
- the treatment of transactions which are significant, unusual or require substantial judgement.
- any related significant findings or recommendations of the Auditor and Annuitas' responses.
- any disputes or difficulties encountered in the course of the audit, including any restrictions on the scope of the audit work or access to required information.
- any changes required in the scope of the audit plan.
- Monitor legal and regulatory filings, associated with the financial statements, and other reports required to be filed to ensure that these requirements have been met.

Other responsibilities

3.5. In addition to the above, the Committee will consider annually or as deemed appropriate whether to gain assurance regarding the robustness of processes in the following areas.

External Management Contracts

3.5.1. Compliance of external managers with the terms of their respective contracts and monitoring the compliance undertaken by Annuitas or the Auditor.

- For clarity, ARRC's responsibility is to consider the processes for monitoring manager compliance. Whether managers are compliant is addressed separately to the Board through the CIO report.

Control Over Expenditure

3.5.2. Review of delegated authorities.

3.5.3. Review policies and procedures with respect to the control over expenses and consider the results of any review of these areas by the Auditor.

Management

3.5.4. Procedures and checks in place to assure the Board that standards and conduct of Annuitas are such as to ensure:

- Compliance by the Authority and the Fund with all appropriate legislation.
- Appropriate reporting against the Authority's current Statement of Intent.
- Compliance by the Authority, the Fund and Annuitas with agreed policies.

Policies

3.5.5. Review changes to organisational policies and accept any changes of a minor, or procedural, nature.

- For clarity, where material changes are proposed, policy reviews are sent directly to the Board.

4. Reporting

- 4.1. Attached as Appendix 1 is the reporting schedule for the Committee.
- 4.2. Where a paper considered by the Committee is being referred on to the Board for further review or final decision, the Committee will make a recommendation to the Board as to what it believes is the appropriate course of action.
- 4.3. The Chair of the Committee will give a summary of the Committee's deliberations at the subsequent Board meeting.

5. Relationships

- 5.1. The Committee will work closely with Annuitas in fulfilment of the Terms of Reference and the provision of services by Annuitas to the Authority.
- 5.2. The Committee will liaise as necessary with Annuitas and the Auditor to enable it to advise the Board on compliance. It will meet with the Auditor, separate from Annuitas, at least once a year.

6. Membership

- 6.1. The membership of the Committee shall be comprised of at least two members of the Board, with the Chair of the Board an ex-officio member. The Chair of the Board is not to be Chair of the Committee.
- 6.2. A quorum is two Committee members, and membership of the Committee must be reviewed at least every three years, and rotation of member's appointments is to be encouraged.

7. Meetings

- 7.1. The Committee may meet at the request of any Committee member, but in any event, hold no less than three meetings during a year, and where appropriate as required to fulfil its responsibilities.
- 7.2. Minutes of all Committee meetings will be available to all Board members via Diligent.
- 7.3. Working in conjunction with the Committee Chair, Annuitas' Chief Financial Officer will determine a timetable and agenda to ensure that all matters within the Committee's responsibility are considered each year. Meetings will take place at times agreed by the Committee.
- 7.4. The Committee shall invite Annuitas staff, the Auditor and representatives of other organisations, as it deems necessary, for the conduct of its business.

8. Review

- 8.1. The Committee's Terms of Reference will be reviewed triennially to ensure its activities remain consistent with the Board's responsibilities.
- 8.2. The Committee will review its own performance annually, alternating between a minuted discussion and a documented questionnaire, and the Chair of the Committee will report to the Board following each review.

9. Administration

- 9.1. Annuitas' Chief Financial Officer will act as Secretary of the Committee and may delegate this responsibility as required.

10. Approval

- 10.1. Last approved by the Board February 2026.

Appendix 1 – Reporting Schedule

	Reporting Items*	Reporting Line			
		ARRC	Freq	Board	Freq
CFO	CFO Report incl. update on financial matters			✓	Quarterly
CFO	Quarterly Financials			✓	Quarterly
CFO	Tax contract review			✓	3 Yearly
CFO	Tax Pooling Review			✓	5 Yearly
CFO	Annual Report and Financial Statements (Fund and Authority)	✓	Yearly	✓	Yearly
CFO	Representations	✓	Yearly	✓	Yearly
CFO	Auditor's Report	✓	Yearly	✓	Yearly
CFO	GSFA Budget	✓	Yearly	✓	Yearly
CFO	Auditor's Engagement Letter	✓	Yearly	✓	3 Yearly
CFO	Audit contract review	✓	Yearly	✓	3 Yearly
CFO	Audit Strategy & Fees	✓	Yearly	✓	3 Yearly
CFO	Contracts Over \$100k, including Legal*	✓	Yearly		
CFO	Timeline for Adoption*	✓	Yearly		
CFO	Board Expenses*	✓	Yearly		
CFO	Operating Expenses (Additional information)*	✓	Yearly		
CFO	Auditor's Discussion (without Mgmt)	✓	Yearly	✓	Yearly
CFO	External Audit Process & Review*	✓	Yearly		
CFO	Changes to Financial Statements*	✓	Yearly		
CFO	Custodian Monthly Reconciliation*	✓	Yearly		
CFO	Taxation Provision & Compliance*	✓	Yearly		
CFO	Taxation management update*	✓	Yearly		
CRO	CRO report			✓	Quarterly
CISO	IT update including governance and strategy			✓	Quarterly
CRO	Insurance review			✓	Yearly
CRO	Acceptable Conduct Declaration			✓	Yearly
CRO	Assurance Programme Framework Review			✓	3 Yearly
CRO	Policy Reviews* - minor changes	✓	As req'd		
CRO	Policy Reviews – material changes			✓	As req'd
CRO	Key Risk Review			✓	Yearly
CRO	Key Risk Register*	✓	Quarterly		
CRO	ARRC Terms of Reference	✓	3 Yearly	✓	3 Yearly
CRO	Legislation & Compliance Update*	✓	Yearly		
CRO	ARRC Performance Review - Minuted Discussion	✓	2 Yearly	✓	2 Yearly
CRO	ARRC Performance - Questionnaire	✓	2 Yearly	✓	2 Yearly
CRO	Assurance Programme Update*	✓	6 Monthly		
CRO	Risk Event Register Overview*	✓	Yearly		
CRO	Key Risk Controls Testing*	✓	Yearly		
CRO	Annual Warrant Compliance*	✓	Yearly		
CRO	Regulatory Filings Summary*	✓	Yearly		

* These matters may be reviewed, and decided upon as necessary, by the Committee without reference to the Board.