



MID WEST PORTS AUTHORITY

AUDIT, RISK, AND GOVERNANCE COMMITTEE

TERMS OF REFERENCE

FEBRUARY 2024

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1. The Mid West Ports Authority (MWPA) Audit, Risk and Governance Committee

The MWPA Audit, Risk and Governance Committee (“the Committee”) is established by the MWPA Board (“the Board”) under the *Government Trading Enterprises Act 2023*

2. Objective

The objective of the Committee is to provide leadership in overseeing MWPA’s governance reporting, risk and internal control and audit functions.

3. Purpose

The purpose of the Committee is to support the Board to meet the above objective. The Board authorises the Committee, through the Committee Chair, to achieve this objective.

The Committee’s areas of responsibility are:

Audit

- review the efficiency and effectiveness of the MWPA’s audit procedures and plans;
- review and approve the internal and external audit program;
- ensure that appropriate remediation action is taken in response to the findings of internal and external audits; including the GRESB sustainability audit and the Integrated Management Systems (IMS) audit.
- review the performance of the internal and external auditors; and
- review the liaison between the external and internal auditors to ensure the audit functions operate effectively and efficiently with a minimum of duplicated audit effort.

Risk

- review and recommend MWPA’s Risk Appetite to the Board for approval;
- ensure that all relevant risks and opportunities are identified and mitigated through the Risk Management Framework;
- monitor changes to the MWPA Critical Operational and Strategic Risk Profiles;
- review and recommend to the Board for approval, the risk management and compliance framework across MWPA;
- evaluate the overall effectiveness of the internal control and risk management framework;
- review whether mitigating recommendations have been implemented by management;
- review the Risk Management Register for operational critical risks and the mitigating actions to reduce those risks;
- review Strategic Risks impacting the achievement of the Strategic Plan.
- monitor the performance of management in managing key risks to ensure compliance with all Government Regulations, the Board’s and Management policies;
- monitor management’s compliance with MWPA’s workplace health & safety and environmental regulations and program;
- review the adequacy of MWPA’s insurance program and recommend to the Board for approval the insurance program on an annual basis; and
- review and recommend to the Board for approval, all compliance and risk management related policies, of all activities conducted by Trade and Corporate Services, Sustainability and Safety, Landside and Marine Operations and Asset Development and Strategy

Governance

- the relationship, communications and reporting between MWPA and Government is effective, has clear accountabilities and complies with the Government Trading Enterprises Act 2023;
- MWPA management and is accountable and has clearly defined responsibilities;
- the Annual Report and compliance reporting meet WA Government requirements
- policies and code of conduct are reviewed regularly;
- that a delegations policy and framework exists defining financial and other corporate controls and accountabilities;
- that a communications plan exists that ensures internal, external and community communications are robust, clear and timely;
- that KPIs, balanced scorecard and other performance measurement processes are effective and communicated throughout MWPA; and
- records management systems and practices are compliant with Government requirements and supported by effective IT systems.

Other

- review the Committee's Terms of Reference every 2 years and recommend any changes to the Board for approval; and
- review the Committee's own annual performance.

The Committee makes recommendations to the Board on all matters within the Committee's authority before any actions are formally implemented.

4. Composition

All members of the Committee are to be nominated by the Board and the Board may add to or remove Committee members by resolution.

The Committee shall consist of not less than two (2) Directors, one (1) of whom shall be appointed as Chair of the Committee. The Chief Executive Officer (CEO) or designate must attend each Committee meeting.

The Committee, through the CEO and within the scope of its terms of reference, may seek information or obtain expert advice on matters of concern.

The Chair of the Committee may invite management to attend meetings. Management personnel cannot be appointed onto the Committee.

5. Meetings

The Committee shall meet as frequently as required but not less than three (3) times a year. A quorum of the Committee shall be two (2) Directors. Any Committee member may call a meeting of the Committee. All Committee members shall be given At least one (1) week's notice of each meeting confirming date, time, venue and agenda.

The Chair of the Committee can establish a working group to research specific information relevant to the Committee's purpose.

6. Access

The Committee is granted unrestricted access, through the Committee Chair, to all levels of management, records and internal and external auditors.

The Committee or any individual member of the Committee, with the approval of the Chair of the Board, is entitled to obtain advice from external parties as appropriate at MWPA's expense. The CEO is to arrange if and when requested.

7. Reporting

The Chair of the Committee shall report to the Board after each Committee meeting.

8. Confidentiality

All Committee members are expected to be aware of their responsibilities regarding the confidentiality of information about MWPA's affairs. Failure to comply with the responsibilities regarding confidentiality may result in the member's appointment being terminated.