Board Key Messages

Here are some of the key messages from our recent Board hui:

FY2025 financial

The team has kicked off the audit process, and the Board received the draft year end financials. While there will be changes between now and the final audited version, the key themes will remain. These key themes are consistent with the last few AGMs and our key messages over the year. The Group will have an operational deficit, and again, this was a planned deficit to cover investment into delayed compliance activities and futureproofing. More importantly, we have maintained a comprehensive profit. More information will be provided once we finalise the audit for the 2025 Annual Report.

Constitutional review

After a thorough constitutional review conducted by Kahui Legal, the Board has approved the:

- Reviewed Terms of reference of our subcommittees
- Mauī constitution
- Mauī shareholder agreement which will now be replaced by a dedicated policy

A big emphasise of the review was conflict management, ensuring transparency within the Group and future proofing. For example, the Pouwhakarae was automatically a Director on Mauī and while this allows for alignment – a key role of the chair of any parent organisation is to hold to account. It is difficult to do this when you sit on the subsidiary Board. This change ensures all appointments onto Mauī is specifically skills and experience based.

Te Korowai has matured and the level of sophistication and complexity in both our Group charitable and commercial activities has increased. These changes align with the maturity required in the Group.

Māori Fisheries Act and changes to the Trust Deed

Te Korowai, as well as being a Post Settlement Entity (PSGE), is a Mandated Iwi Organisation (MIO) under the Māori Fisheries Act. We have therefore received advice regarding the changes in the Act, and the amendments required to our Deed. These amendments require a Special resolution and are required under the Act. Therefore, you will hear more regarding the changes in the lead up to the AGM where all registered uri are able to vote online, postal and ballet box at the AGM.

It is important to note, we require 75% approval to get these Deed amendments over the line. Due to these changes being a statutory requirement, if we do not achieve the required threshold, we will need to hold another special vote. Hoha we know!

More information regarding these changes will be provided in the next few weeks.

Policy review

There's been a great effort by the team to review our suite of policies, at this hui we approved:

- H&S manual
- Hapū distributions policy
- Board remuneration and expenses policy, prohibiting alcohol as an expense

- Iwi register management
- Travel
- Identifying & responding to tamariki harm
- Formalised engagement protocols

As we have grown as an organisation, so has our need for policies to support delegating decision making and ensuring consistency in what we do. Now that we have had this significant review regarding compliance, we can now turn our attention to value and performance.

Pūpūke te Hihiri – impact investments

In this hui, Mauī presented their Statement of Intent and communicated that it was not able to deliver on impact investments over the FY26. The key priorities being:

- The opening and operations of Ngā Rere Lodge
- Ensuring that the remaining 80% of our investment portfolio is high-performing

Te Korowai has conditionally approved the SOI, with the expectation that a transition plan is finalised by Q2 to support the long-term resourcing of impact investments.

Three years ago, Te Korowai Board approved and Mauī Board endorsed the Pupuke te Hihiri Impact investment strategy and resourcing report. The transition into impact investments was not just about the resulting social, cultural and environmental outcomes, such as, housing and hapū whenua development - but a solution to ensuring a sustainable Te Korowai Group operational business model. The transition into impact investments and internalising management is a key strategy to moving away from the 'living off the interest' mantra, and our reliance on government funding – to having a thriving Iwi economy for our tamariki mokopuna.

Pai mārire!