



# IAWAI – Strategic Risk Register

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## How to read this document

Strategic risks are defined as ‘the risk of an event or impact that is external to IAWAI and could impact the organisation’s strategies, including IAWAI’s Financial Strategy and Water Services Strategy and long-term infrastructure strategy’.

**Attachment 1** on pages 3 and 4 provide a summary of strategic risks.

**Attachment 2** provides additional detail, including the existing controls and treatment plan updates, for each strategic risk.

The residual risk rating is determined following assessment of likelihood and consequence for each risk category using the following matrix. The maximum residual risk rating from this process is then reported on:

|            |                | CONSEQUENCE |            |          |                |              |
|------------|----------------|-------------|------------|----------|----------------|--------------|
|            |                | Minor       | Moderate   | Serious  | Major          | Catastrophic |
| LIKELIHOOD | Almost Certain | H           | H          | VH       | E              | E            |
|            | Likely         | M           | H          | VH       | VH             | E            |
|            | Possible       | L           | M          | H        | VH             | VH           |
|            | Unlikely       | L           | M          | M        | H              | VH           |
|            | Rare           | L           | L          | L        | M              | H            |
|            |                | L = Low     | M = Medium | H = High | VH = Very High | E = Extreme  |



## Attachment 1: Summary of IAWAI's Strategic Risks

| Strategic Risk Name                                                                  | Risk Description                                                                                                                                                                                                                                                                                                                                                     | Risk Appetite | Risk Owner                   | Residual Risk Rating |
|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|------------------------------|----------------------|
| <b>SR1</b> Failure to provide safe and compliant water services                      | Risk that IAWAI causes harm to public health or the environment due to the failure to provide safe, compliant drinking water and wastewater services, resulting from asset failures, system capacity constraints, process weaknesses, or inadequate capability.                                                                                                      | Adverse       | Maire Porter<br>Keith Martin | High                 |
| <b>SR2</b> Failure to maintain a safe and healthy work environment                   | Risk that workers, contractors, or others are harmed due to inadequate health, safety and wellbeing systems, culture, or practices across IAWAI operations and worksites.                                                                                                                                                                                            | Adverse       | Becca Brooke                 | High                 |
| <b>SR3</b> Failure to respond to a disaster, crisis, or emergency                    | A lack of preparedness leads to a failure to respond or an ineffective response to a disaster, crisis, or emergency impacting water service delivery. Links to SR1                                                                                                                                                                                                   | Cautious      | Maire Porter<br>Keith Martin | Very High            |
| <b>SR4</b> Significant negative impact on financial strategy                         | A major economic or financial shock event negatively impacts IAWAI's financial strategy, fiscal and monetary position resulting in significant financial pressure on IAWAI. Links to SR6                                                                                                                                                                             | Cautious      | Nathan King                  | High                 |
| <b>SR5</b> Loss of information or access to systems and services                     | In the event of a cyber-attack, IT service disruption, operational technology failure, or technology asset compromise, there is a risk that confidential information and/or IAWAI services could be impacted, resulting in service failure, loss of information, or compromised data, leading to ongoing reputational, legal, health, and/or financial consequences. | Neutral       | Jo-Ann Pass                  | Very High            |
| <b>SR6</b> Failure to make the right investments in waters infrastructure and assets | Risk that investment in water infrastructure is not aligned to asset condition or growth demand, resulting in asset failure, inability to deliver expected levels of service, and failure to meet community and shareholder growth expectations. Links to SR1&7                                                                                                      | Cautious      | Andrew Parsons               | High                 |

|                                                                                    |                                                                                                                                                                                                                                                                                                                                    |           |                 |           |
|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------|-----------|
|                                                                                    |                                                                                                                                                                                                                                                                                                                                    |           |                 |           |
| <b>SR7</b> Inability to deliver our work programmes                                | An ongoing shortage of necessary resources (resources, people and materials) or reliance on 3 <sup>rd</sup> parties (land, consents, designation, delivery partnership) means our work programmes delivery is delayed or impeded resulting in constrained growth and negative long-term outcomes for the community. Links to SR1&6 | Cautious  | Andrew Parsons  | High      |
| <b>SR8</b> Failure to adapt to climate change                                      | Risk that climate change alters environmental conditions beyond existing Levels or Service or current planning assumptions, impacting the resilience and delivery of water services and infrastructure in the future.                                                                                                              | Cautious  | Andrew Parsons  | Very High |
| <b>SR9</b> Political changes negatively impact strategic direction                 | Shareholders, Iwi Partners (Waikato Tainui) and other Political Stakeholders make unanticipated changes or decisions or take actions that negatively impact IAWAI's strategic direction resulting in significant changes to IAWAI's form, function, resourcing or work programme.                                                  | Receptive | Natasha Yarrall | Low       |
| <b>SR10</b> Failure to maintain trust and confidence of hapu and marae             | Deterioration of relationships with hapuu and marae could result in a loss of credibility and impact IAWAI's reputation. This could result in distrust, reputational damage and a lack of engagement.                                                                                                                              | Neutral   | Amomai Pihama   | Low       |
| <b>SR11</b> Failure to maintain trust and confidence of stakeholders and customers | Poor stakeholder and customer relationship management could lead to a failure to maintain the trust and confidence of customers and key stakeholders. This could result in distrust, reputational damage and a lack of engagement.                                                                                                 | Cautious  | Amomai Pihama   | Medium    |
| <b>SR12</b> Failure to attract and retain skilled staff                            | Reputational challenges, lack of adequate people resource, unclear direction and strategy, inadequate business tools, systems and processes or ineffective leadership could lead to low staff engagement resulting in fatigue, health and safety issues, poor performance and retention issues.                                    | Receptive | Peter Winder    | Very High |

## Attachment 2: Detailed strategic risk, controls and treatments plans

| New (proposed) – IAWAI Strategic Risk 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                |                                         |                                                            |               |             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------|------------------------------------------------------------|---------------|-------------|
| SR1 Failure to provide safe and compliant water services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                |                                         |                                                            |               |             |
| Risk that IAWAI causes harm to public health or the environment due to the failure to provide safe, compliant drinking water and wastewater services, resulting from asset failures, system capacity constraints, process weaknesses, or inadequate capability.                                                                                                                                                                                                                                                                                                                                                        |                                                                |                                         |                                                            |               |             |
| Risk Owner                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Maire Porter<br>Keith Martin                                   | Category                                | Compliance and Regulatory<br>Environmental<br>Reputational | Risk Appetite | Adverse - 2 |
| Inherent Risk Rating                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                | Extreme – Almost Certain x Catastrophic |                                                            |               |             |
| Existing Controls                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                |                                         |                                                            |               |             |
| 1. Water Services Strategy 2026 - 2036<br>2. Regional Infrastructure Technical Specifications<br>3. Operational Compliance Functions within IAWAI<br>4. Annual Review and Audits - Wastewater Consenting and Outcomes<br>5. Regular Board Reporting – Compliance<br>6. IAWAI Forum Reporting – Compliance<br>7. Watercare Contract<br>8. Annual Audit and Regular Assurance – Drinking Water Standards NZ<br>9. Horizon Scanning for Legislative Changes<br>10. Tradewaste Management and Framework<br>11. Private Developer Agreements<br>12. 3 Waters Bylaws – HCC and WDC including ability to adjust per schedules |                                                                |                                         |                                                            |               |             |
| Residual Risk Rating                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                | Very High – Unlikely x catastrophic     |                                                            |               |             |
| Responsible Manager(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Nathan King<br>Bridget Morgan<br>Andrew Parsons<br>Jo-Ann Pass | Risk Treatment Option                   |                                                            | Mitigate      |             |
| Treatment Plans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                |                                         |                                                            |               |             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                |                                         |                                                            |               |             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                |                                         |                                                            |               |             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                |                                         |                                                            |               |             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                |                                         |                                                            |               |             |

| IAWAI Strategic Risk 2                                                                                                                                                                                                                                                           |              |                               |                                  |               |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------------|----------------------------------|---------------|------------|
| SR2 Failure to Provide a Safe and Healthy Environment                                                                                                                                                                                                                            |              |                               |                                  |               |            |
| Ineffective or inadequate health, safety and wellbeing management within IAWAI or at our work sites leads to a failure to provide a safe and healthy environment (in accordance with the Health and Safety at Work Act 2015) resulting in a serious injury incident or fatality. |              |                               |                                  |               |            |
| Risk Owner                                                                                                                                                                                                                                                                       | Becca Brooke | Category                      | People Compliance and Regulatory | Risk Appetite | Averse - 1 |
| Inherent Risk Rating                                                                                                                                                                                                                                                             |              |                               | Extreme – Likely x Catastrophic  |               |            |
| Existing Controls                                                                                                                                                                                                                                                                |              |                               |                                  |               |            |
| 1. All staff receive Health and Safety training on commencement of employment                                                                                                                                                                                                    |              |                               |                                  |               |            |
| 2. Assurance activities are carried out regularly                                                                                                                                                                                                                                |              |                               |                                  |               |            |
| 3. Prequalification and Safety Standards for Contractors                                                                                                                                                                                                                         |              |                               |                                  |               |            |
| 4. IAWAI Culture 'Way of Working'                                                                                                                                                                                                                                                |              |                               |                                  |               |            |
| 5. Ora – Shared Service provision for H&S management tool                                                                                                                                                                                                                        |              |                               |                                  |               |            |
| 6. Shared Service – People, Safety and Wellbeing                                                                                                                                                                                                                                 |              |                               |                                  |               |            |
| Residual Risk Rating                                                                                                                                                                                                                                                             |              |                               | High – Unlikely x Major          |               |            |
| Responsible Manager(s)                                                                                                                                                                                                                                                           |              | Marie Snowball<br>Chris Floyd | Risk Treatment Option            |               | Mitigate   |
| Treatment Plans                                                                                                                                                                                                                                                                  |              |                               |                                  |               |            |
| Treatment Plan                                                                                                                                                                                                                                                                   |              |                               |                                  |               |            |
| IAWAI has an effective safety governance structure                                                                                                                                                                                                                               |              | By 1 December 2026            |                                  |               |            |
| IAWAI critical safety risks are reviewed regularly.                                                                                                                                                                                                                              |              | By 1 December 2026            |                                  |               |            |
| Safety Management System (SMS) aligned to ISO45001                                                                                                                                                                                                                               |              | By 1 December 2026            |                                  |               |            |
| Evaluate the requirement for a Safety Governance Committee                                                                                                                                                                                                                       |              |                               |                                  |               |            |
| Determine whether ISO45001 accreditation is appropriate                                                                                                                                                                                                                          |              |                               |                                  |               |            |

| Strategic Risk 3                                                                                                                                                   |                                                                                                |                                     |                                        |               |              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------------------|---------------|--------------|
| SR1 Failure to Respond to a Disaster, Crisis, or Emergency                                                                                                         |                                                                                                |                                     |                                        |               |              |
| A lack of preparedness leads to a failure to respond or an ineffective response to a disaster, crisis, or emergency impacting water service delivery. Links to SR3 |                                                                                                |                                     |                                        |               |              |
| Risk Owner                                                                                                                                                         | Maire Porter                                                                                   | Category                            | Disaster Recovery/ Business Continuity | Risk Appetite | Cautious - 2 |
| Inherent Risk Rating                                                                                                                                               |                                                                                                | Very High – Possible x Catastrophic |                                        |               |              |
| Existing Controls                                                                                                                                                  |                                                                                                |                                     |                                        |               |              |
| 1. Collaboration on emergency management response approach                                                                                                         |                                                                                                |                                     |                                        |               |              |
| 2. Co-located EOC in a dedicated leading-edge centre                                                                                                               |                                                                                                |                                     |                                        |               |              |
| 3. Early warning processes are in place at a national and regional level                                                                                           |                                                                                                |                                     |                                        |               |              |
| 4. Emergency Management Framework                                                                                                                                  |                                                                                                |                                     |                                        |               |              |
| 5. Emergency management training program                                                                                                                           |                                                                                                |                                     |                                        |               |              |
| 6. Emergency exercise schedule in place                                                                                                                            |                                                                                                |                                     |                                        |               |              |
| 7. Availability of technical expertise                                                                                                                             |                                                                                                |                                     |                                        |               |              |
| 8. Regional and national emergency services relationship through the Lifelines Network and Sector Groups, and Regulators, and Shareholder Councils                 |                                                                                                |                                     |                                        |               |              |
| 9. Water Services Strategy 26-36 focussed on building resilience within the network                                                                                |                                                                                                |                                     |                                        |               |              |
| 10. Asset Management.2024-34 Activity Management Plans int. ext. reviewed                                                                                          |                                                                                                |                                     |                                        |               |              |
| 11. Asset Management. policy in place to set standards                                                                                                             |                                                                                                |                                     |                                        |               |              |
| 12. Risk Management Policy by 1 July 2026                                                                                                                          |                                                                                                |                                     |                                        |               |              |
| 13. Quarterly Operational Risk Reviews                                                                                                                             |                                                                                                |                                     |                                        |               |              |
| 14. Existing Security Risk Assessments                                                                                                                             |                                                                                                |                                     |                                        |               |              |
| 15. Business Continuity and Disaster Recovery (BCDR) Processes by 1 July 2026                                                                                      |                                                                                                |                                     |                                        |               |              |
| 16. Organisational Resilience Policy                                                                                                                               |                                                                                                |                                     |                                        |               |              |
| 17. Shared Service Emergency Management                                                                                                                            |                                                                                                |                                     |                                        |               |              |
| 18. Shared Service Risk and Assurance                                                                                                                              |                                                                                                |                                     |                                        |               |              |
| 19. Contract with Watercare Services Limited                                                                                                                       |                                                                                                |                                     |                                        |               |              |
| Residual Risk Rating                                                                                                                                               |                                                                                                | Very High – Possible x Major        |                                        |               |              |
| Responsible Manager(s)                                                                                                                                             | Fiona Sutton<br>Bridget Morgan<br>Keith Martin<br>Anin Nama (Watercare Waikato Representative) |                                     | Risk Treatment Option                  | Mitigate      |              |
| Treatment Plans                                                                                                                                                    |                                                                                                |                                     |                                        |               |              |
| Treatment Plan                                                                                                                                                     |                                                                                                |                                     |                                        |               |              |
| IAWAI to establish an Incident Management Team                                                                                                                     |                                                                                                |                                     |                                        |               |              |
| Undertake Organisational Security Risk Assessment                                                                                                                  |                                                                                                |                                     |                                        |               |              |
| Establish Business Continuity Management Framework including EBIA,                                                                                                 |                                                                                                |                                     |                                        |               |              |
| Independent review of emergency management framework (within 12 months)                                                                                            |                                                                                                |                                     |                                        |               |              |
| Implement the training and development programme                                                                                                                   |                                                                                                |                                     |                                        |               |              |

| Strategic Risk 4                                                                                                                                                                         |                                |                              |           |               |             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------------------------|-----------|---------------|-------------|
| SR2 Significant Negative Impact on Financial Strategy                                                                                                                                    |                                |                              |           |               |             |
| A major economic or financial shock event negatively impacts IAWAI's financial strategy, fiscal and monetary position resulting in significant financial pressure on IAWAI. Links to SR7 |                                |                              |           |               |             |
| Risk Owner                                                                                                                                                                               | Nathan King                    | Category                     | Financial | Risk Appetite | Neutral - 3 |
| Inherent Risk Rating                                                                                                                                                                     |                                | Very High – Likely x Major   |           |               |             |
| Existing Controls                                                                                                                                                                        |                                |                              |           |               |             |
| 1. Ability to urgently reprioritise and reduce capital spending                                                                                                                          |                                |                              |           |               |             |
| 2. Assurance - external audit of financial statements                                                                                                                                    |                                |                              |           |               |             |
| 3. Financial capacity - access to standby credit facilities                                                                                                                              |                                |                              |           |               |             |
| 4. Financial capacity - sufficient debt headroom                                                                                                                                         |                                |                              |           |               |             |
| 5. Financial delegations' framework                                                                                                                                                      |                                |                              |           |               |             |
| 6. Segregation of financial duties framework                                                                                                                                             |                                |                              |           |               |             |
| 7. Financial performance reporting                                                                                                                                                       |                                |                              |           |               |             |
| 8. Financial planning and forecasting                                                                                                                                                    |                                |                              |           |               |             |
| 9. Regular sensitivity analysis                                                                                                                                                          |                                |                              |           |               |             |
| 10. Financial policies                                                                                                                                                                   |                                |                              |           |               |             |
| 11. Fraud and Corruption Management Policy                                                                                                                                               |                                |                              |           |               |             |
| 12. Independent and Professionally Qualified Finance Staff including HCC Shared Services                                                                                                 |                                |                              |           |               |             |
| 13. Monitoring of economic trends with external advisors                                                                                                                                 |                                |                              |           |               |             |
| 14. Monitoring of financial performance and projections by Executive                                                                                                                     |                                |                              |           |               |             |
| 15. Monitoring of financial performance and projections by Governance                                                                                                                    |                                |                              |           |               |             |
| 16. Monitoring of local and global economic trends                                                                                                                                       |                                |                              |           |               |             |
| 17. Shared Services – Finance                                                                                                                                                            |                                |                              |           |               |             |
| 18. Shared Services – Growth and Analytics                                                                                                                                               |                                |                              |           |               |             |
| Residual Risk Rating                                                                                                                                                                     |                                | Very High – Likely x Serious |           |               |             |
| Responsible Manager(s)                                                                                                                                                                   | Gary Connolly (shared service) | Risk Treatment Option        |           | Mitigate      |             |
| Treatment Plans                                                                                                                                                                          |                                |                              |           |               |             |
| Develop an internal audit function or process                                                                                                                                            |                                |                              |           |               |             |
| Modify financial reporting by 30 August                                                                                                                                                  |                                |                              |           |               |             |

| Strategic Risk 5                                                                                                                                                                                                                                                                                                                                                     |                              |                       |                                                  |               |             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------|--------------------------------------------------|---------------|-------------|
| SR3 Loss of Information or Access to Systems and Services                                                                                                                                                                                                                                                                                                            |                              |                       |                                                  |               |             |
| In the event of a cyber-attack, IT service disruption, operational technology failure, or technology asset compromise, there is a risk that confidential information and/or IAWAI services could be impacted, resulting in service failure, loss of information, or compromised data, leading to ongoing reputational, legal, health, and/or financial consequences. |                              |                       |                                                  |               |             |
| Risk Owner                                                                                                                                                                                                                                                                                                                                                           | Jo-Ann Pass                  | Category              | Disaster Recovery/Business Continuity Technology | Risk Appetite | Neutral - 3 |
| Inherent Risk Rating                                                                                                                                                                                                                                                                                                                                                 |                              |                       | Very High – Possible x Catastrophic              |               |             |
| Existing Controls                                                                                                                                                                                                                                                                                                                                                    |                              |                       |                                                  |               |             |
| A separate confidential report provides further details about the Organisation’s Cyber Security and Risk                                                                                                                                                                                                                                                             |                              |                       |                                                  |               |             |
| 1. Shared Services – Digital Services (Cybersecurity and System Management)                                                                                                                                                                                                                                                                                          |                              |                       |                                                  |               |             |
| 2. Non-Digital Business Continuity Processes for IAWAI operations                                                                                                                                                                                                                                                                                                    |                              |                       |                                                  |               |             |
| 3. Regular Board Reporting – Cybersecurity for IT and OT                                                                                                                                                                                                                                                                                                             |                              |                       |                                                  |               |             |
| 4. Contract XYZ with Watercare Services Limited                                                                                                                                                                                                                                                                                                                      |                              |                       |                                                  |               |             |
| 5. Supplier and Contract Management – Cybersecurity                                                                                                                                                                                                                                                                                                                  |                              |                       |                                                  |               |             |
| 6. Adoption of Acceptable Use Management Policy, Disinformation Management Policy, Information Management Policy.                                                                                                                                                                                                                                                    |                              |                       |                                                  |               |             |
| 7. Pukete Plant OT Security Standards in place                                                                                                                                                                                                                                                                                                                       |                              |                       |                                                  |               |             |
| Residual Risk Rating                                                                                                                                                                                                                                                                                                                                                 |                              |                       | Very High – Possible x Major                     |               |             |
| Responsible Manager(s)                                                                                                                                                                                                                                                                                                                                               | Maire Porter<br>Keith Martin | Risk Treatment Option |                                                  | Mitigate      |             |
| Treatment Plans                                                                                                                                                                                                                                                                                                                                                      |                              |                       |                                                  |               |             |
| A separate confidential report provides further details about the Organisation’s Cyber Security and Risk Improvement Schedule                                                                                                                                                                                                                                        |                              |                       |                                                  |               |             |
| 1. Action – WDC risk profile analysis                                                                                                                                                                                                                                                                                                                                |                              |                       |                                                  |               |             |
| 2. Review and improve OT security standards                                                                                                                                                                                                                                                                                                                          |                              |                       |                                                  |               |             |
| 3. Review WDC cybersecurity posture for non-WCL technology and gain assurance                                                                                                                                                                                                                                                                                        |                              |                       |                                                  |               |             |
| 4. Develop a Digital Strategy – overarching principles and roadmap                                                                                                                                                                                                                                                                                                   |                              |                       |                                                  |               |             |

| Strategic Risk 6                                                                                                                                                                                                                                                |                |          |                                                                 |               |              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------|-----------------------------------------------------------------|---------------|--------------|
| SR6 Failure to make the right investments in waters infrastructure.                                                                                                                                                                                             |                |          |                                                                 |               |              |
| Risk that investment in water infrastructure is not aligned to asset condition or growth demand, resulting in asset failure, inability to deliver expected levels of service, and failure to meet community and shareholder growth expectations. Links to SR1&7 |                |          |                                                                 |               |              |
| Risk Owner                                                                                                                                                                                                                                                      | Andrew Parsons | Category | Environmental<br>Financial<br>Reputation<br>Service<br>Delivery | Risk Appetite | Cautious - 3 |
| Inherent Risk Rating                                                                                                                                                                                                                                            |                |          | Very High – Possible x Major                                    |               |              |
| Existing Controls                                                                                                                                                                                                                                               |                |          |                                                                 |               |              |
| Asset Management Controls                                                                                                                                                                                                                                       |                |          |                                                                 |               |              |
| 1. Regular monitoring and submission on industry change                                                                                                                                                                                                         |                |          |                                                                 |               |              |
| 2. Resourcing for Activity Management Plan (AMP)                                                                                                                                                                                                                |                |          |                                                                 |               |              |
| 3. Water Services Strategy 2023-2036                                                                                                                                                                                                                            |                |          |                                                                 |               |              |
| 4. Modelling and master planning of strategic network assets                                                                                                                                                                                                    |                |          |                                                                 |               |              |
| 5. Asset Management policy in place to set standards                                                                                                                                                                                                            |                |          |                                                                 |               |              |
| 6. Manage, monitor, operate and maintain critical assets                                                                                                                                                                                                        |                |          |                                                                 |               |              |
| Operational Controls:                                                                                                                                                                                                                                           |                |          |                                                                 |               |              |
| 7. Quality Assurance Processes for Asset Acceptance                                                                                                                                                                                                             |                |          |                                                                 |               |              |
| 8. Asset and Process Commission Processes                                                                                                                                                                                                                       |                |          |                                                                 |               |              |
| 9. Business Continuity and Essential Maintenance Plans                                                                                                                                                                                                          |                |          |                                                                 |               |              |
| Planning Controls:                                                                                                                                                                                                                                              |                |          |                                                                 |               |              |
| 10. Annual review of infrastructure capital and renewal programme                                                                                                                                                                                               |                |          |                                                                 |               |              |
| 11. Asset Condition Assessment Programme                                                                                                                                                                                                                        |                |          |                                                                 |               |              |
| 12. Maintenance and service agreements in place with the supplier                                                                                                                                                                                               |                |          |                                                                 |               |              |
| 13. Speciality contracts in place to maintain critical assets                                                                                                                                                                                                   |                |          |                                                                 |               |              |
| 14. Procurement Policy by 1 July 2026                                                                                                                                                                                                                           |                |          |                                                                 |               |              |
| Expectation Management                                                                                                                                                                                                                                          |                |          |                                                                 |               |              |
| 15. Hamilton Urban Growth Strategy and Waikato 2070 Growth Strategy – look into Water Services Strategy 2026-2036                                                                                                                                               |                |          |                                                                 |               |              |
| 16. Engagement with Shareholder Councils and Waikato Tainui                                                                                                                                                                                                     |                |          |                                                                 |               |              |
| 17. Collaboration with Shareholder Council infrastructure planning teams                                                                                                                                                                                        |                |          |                                                                 |               |              |
| 18. Engagement with Central Government                                                                                                                                                                                                                          |                |          |                                                                 |               |              |
| 19. Engagement with neighbouring Councils and CCOs on strategic growth planning                                                                                                                                                                                 |                |          |                                                                 |               |              |
| 20. Communications and engagement strategies for growth related infrastructure                                                                                                                                                                                  |                |          |                                                                 |               |              |
| 21. Communications and engagement strategies for network capacity                                                                                                                                                                                               |                |          |                                                                 |               |              |
| IAWAI Growth Management Tools                                                                                                                                                                                                                                   |                |          |                                                                 |               |              |
| 22. Infrastructure Master Planning                                                                                                                                                                                                                              |                |          |                                                                 |               |              |
| 23. Activity Management Planning                                                                                                                                                                                                                                |                |          |                                                                 |               |              |
| 24. Preparation for services capacity                                                                                                                                                                                                                           |                |          |                                                                 |               |              |
| 25. National Policy Statement Urban Development                                                                                                                                                                                                                 |                |          |                                                                 |               |              |
| 26. Submissions on plan changes and consent applications                                                                                                                                                                                                        |                |          |                                                                 |               |              |
| 27. Management of regulatory Resource Consent applications                                                                                                                                                                                                      |                |          |                                                                 |               |              |
| 28. Input and submissions for Resource Consents                                                                                                                                                                                                                 |                |          |                                                                 |               |              |
| 29. Private Developer Agreements                                                                                                                                                                                                                                |                |          |                                                                 |               |              |
| 30. Development Contributions model by 1 July 2027                                                                                                                                                                                                              |                |          |                                                                 |               |              |

|                                                                                                                                                              |                                                                                                                  |                                                                                                                                                                  |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 31. Developer Relationship Management<br>32. Connections Policy - by 1 July 2026<br>33. Connections Approval Process<br>34. Network Capacity Assessment Tool |                                                                                                                  |                                                                                                                                                                  |          |
| <b>Residual Risk Rating</b>                                                                                                                                  |                                                                                                                  | <b>High – Possible x Serious</b>                                                                                                                                 |          |
| <b>Responsible Manager(s)</b>                                                                                                                                | Jackie Colliar<br>Nathan King<br>Maire Porter<br>Keith Martin<br>Jackie Colliar<br>Bridget Morgan<br>James Feary | <b>Risk Treatment Option</b>                                                                                                                                     | Mitigate |
| <b>Treatment Plans</b>                                                                                                                                       |                                                                                                                  |                                                                                                                                                                  |          |
| Further implement NCAT tool across IAWAI                                                                                                                     |                                                                                                                  |                                                                                                                                                                  |          |
| Develop non-consented capacity forecasting/lead indicator for possible demand for IAWAI<br>Demand profiling                                                  |                                                                                                                  | Infrastructure planning scenarios based on future growth areas and potential industrial changes<br>Supports zoning for wet development areas                     |          |
| Determine and appoint active membership to land use planning across the region                                                                               |                                                                                                                  | Supports zoning for wet development areas                                                                                                                        |          |
| Review and update the Essential Maintenance Plans                                                                                                            |                                                                                                                  |                                                                                                                                                                  |          |
| Develop the baseline Asset Management Plans to inform the 2027 LTP by July26                                                                                 |                                                                                                                  | <b>February 2026</b><br>Programme to create baseline AMPs for 2027-2057 is in progress. We have initial meetings with our AMP writers and have provided guidance |          |

| IAWAI Strategic Risk 7                                                                                                                                                                                                                                                                                                                                                                                     |                                                                  |                       |                                                             |               |           |
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| SR7 Inability to Deliver our Work Programmes                                                                                                                                                                                                                                                                                                                                                               |                                                                  |                       |                                                             |               |           |
| An ongoing shortage of necessary resources (resources, people and materials) or reliance on 3 <sup>rd</sup> parties (land, consents, designation, delivery partnership) means our work programmes delivery is delayed or impeded resulting in constrained growth and negative long-term outcomes for the community. Links to SR1&6                                                                         |                                                                  |                       |                                                             |               |           |
| Risk Owner                                                                                                                                                                                                                                                                                                                                                                                                 | Andrew Parsons                                                   | Category              | Financial<br>People<br>Service<br>Delivery<br>Environmental | Risk Appetite | –Cautious |
| Inherent Risk Rating                                                                                                                                                                                                                                                                                                                                                                                       |                                                                  |                       | Extreme – Almost Certain x Catastrophic                     |               |           |
| Existing Controls                                                                                                                                                                                                                                                                                                                                                                                          |                                                                  |                       |                                                             |               |           |
| 1. IAWAI Procurement Policy<br>2. Forward works pipeline visibility and supply chain engagement – Civil Contractors NZ Engagements<br>3. Waters Services Strategy 2026 - 2036<br>4. Attractive contract conditions and commercial terms of contracts<br>5. Contract – Watercare, Renewals Framework panel, Consultancy Framework Panels<br>6. Shared Service Arrangement for Programme Management Software |                                                                  |                       |                                                             |               |           |
| Residual Risk Rating                                                                                                                                                                                                                                                                                                                                                                                       |                                                                  |                       | High - Possible x Serious                                   |               |           |
| Responsible Manager(s)                                                                                                                                                                                                                                                                                                                                                                                     | Jackie Colliar<br>Chris Allen<br>Jon Kingsford<br>Natasha Hansen | Risk Treatment Option |                                                             | Mitigate      |           |
| Treatment Plans                                                                                                                                                                                                                                                                                                                                                                                            |                                                                  |                       |                                                             |               |           |
| Action – develop Portfolio Management Framework                                                                                                                                                                                                                                                                                                                                                            |                                                                  |                       |                                                             |               |           |
| Establish a Project Management Office                                                                                                                                                                                                                                                                                                                                                                      |                                                                  |                       |                                                             |               |           |
| Develop Waters Strategy 2027 - 2037                                                                                                                                                                                                                                                                                                                                                                        |                                                                  |                       |                                                             |               |           |
| Partner with private enterprise when it makes sense to do so                                                                                                                                                                                                                                                                                                                                               |                                                                  |                       |                                                             |               |           |

| Strategic Risk 8                                                                                                                                                                                                      |                                                 |                       |                            |               |              |
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| SR8 Failure to Adapt to Climate Change                                                                                                                                                                                |                                                 |                       |                            |               |              |
| Risk that climate change alters environmental conditions beyond existing Levels or Service or current planning assumptions, impacting the resilience and delivery of water services and infrastructure in the future. |                                                 |                       |                            |               |              |
| Risk Owner                                                                                                                                                                                                            | Andrew Parsons                                  | Category              | Climate Change             | Risk Appetite | Cautious - 2 |
| Inherent Risk Rating                                                                                                                                                                                                  |                                                 |                       | Very High – Likely x Major |               |              |
| Existing Controls                                                                                                                                                                                                     |                                                 |                       |                            |               |              |
| 1. Water Services Strategy 2026 – 2036                                                                                                                                                                                |                                                 |                       |                            |               |              |
| 2. Activity Management Plans incorporate climate change considerations.                                                                                                                                               |                                                 |                       |                            |               |              |
| 3. Collaboration with Councils on response to climate change                                                                                                                                                          |                                                 |                       |                            |               |              |
| 4. Water Services Climate Change Risk Assessment                                                                                                                                                                      |                                                 |                       |                            |               |              |
| 5. Stormwater Master Plan                                                                                                                                                                                             |                                                 |                       |                            |               |              |
| 6. Water Master Plan                                                                                                                                                                                                  |                                                 |                       |                            |               |              |
| 7. Waste Water Master Plan                                                                                                                                                                                            |                                                 |                       |                            |               |              |
| 8. Regional Infrastructure Technical Specifications                                                                                                                                                                   |                                                 |                       |                            |               |              |
| Residual Risk Rating                                                                                                                                                                                                  |                                                 |                       | Very High – Likely x Major |               |              |
| Responsible Manager(s)                                                                                                                                                                                                | Bridget Morgan<br>James Feary<br>Jackie Colliar | Risk Treatment Option |                            | Mitigate      |              |
| Treatment Plans                                                                                                                                                                                                       |                                                 |                       |                            |               |              |
| Develop Stormwater Strategy                                                                                                                                                                                           |                                                 |                       |                            |               |              |
| Establish a Climate Change Strategy and Policy                                                                                                                                                                        |                                                 |                       |                            |               |              |

| Strategic Risk 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                 |                                  |                                      |               |               |
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| SR9 Political Changes Negatively Impact Strategic Direction                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                 |                                  |                                      |               |               |
| Political stakeholders, Iwi Partners (Waikato-Tainui) and Shareholders make unanticipated changes or decisions or take actions that negatively impact IAWAI's strategic direction resulting in significant changes to IAWAI's form, function, resourcing or work programmes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                 |                                  |                                      |               |               |
| Risk Owner                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Natasha Yarrall | Category                         | Political Service Delivery Strategic | Risk Appetite | Receptive - 4 |
| Inherent Risk Rating                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 | High – Almost Certain x Moderate |                                      |               |               |
| Existing Controls                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |                                  |                                      |               |               |
| 1. Regular engagement with shareholders and Waikato Tainui via IAWAI workshops on strategic issues<br>2. Collaboration with shareholder councils and Waikato Tainui on annual review of Statement of Expectations<br>3. Quarterly reporting and engagement with shareholders and Waikato Tainui, via IAWAI Forum<br>4. Fortnightly IAWAI ELT discussion to ensure awareness of strategic initiatives<br>5. Quarterly joint ELT meetings with shareholder councils and Waikato Tainui<br>6. Participation in national and regional advisory groups<br>7. Participation in processes to influence government policy direction<br>8. Regular engagement with stakeholders at political and executive level<br>9. Meetings with Government Ministers and MPs as required |                 |                                  |                                      |               |               |
| Residual Risk Rating                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 | Low – Possible x Minor           |                                      |               |               |
| Responsible Manager(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Amomai Pihama   | Risk Treatment Option            |                                      | Mitigate      |               |
| Treatment Plans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                                  |                                      |               |               |
| Create regular series of engagement with political and iwi stakeholder to ensure understanding and alignment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                 |                                  |                                      |               |               |

| IAWAI Strategic Risk 10                                                                                                                                                                                    |               |                              |                                    |               |             |
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| SR10 Failure to Maintain Trust and Confidence of Iwi, Hapuu and Marae                                                                                                                                      |               |                              |                                    |               |             |
| Deterioration of relationships with iwi, hapuu and marae could result in a loss of credibility and impact IAWAI's reputation. This could result in distrust, reputational damage and a lack of engagement. |               |                              |                                    |               |             |
| Risk Owner                                                                                                                                                                                                 | Amomai Pihama | Category                     | Community and Wellbeing Reputation | Risk Appetite | Neutral - 3 |
| Inherent Risk Rating                                                                                                                                                                                       |               | Very High – Possible x Major |                                    |               |             |
| Existing Controls                                                                                                                                                                                          |               |                              |                                    |               |             |
| 1. Key relationship holders identified                                                                                                                                                                     |               |                              |                                    |               |             |
| 2. Maaori relationship development, monitoring, and maintenance – existing JMA, Partnership with Waikato-Tainui                                                                                            |               |                              |                                    |               |             |
| 3. Iwi and marae relationships through Waikato-Tainui Partnership Model                                                                                                                                    |               |                              |                                    |               |             |
| 4. Effective communication channels in place                                                                                                                                                               |               |                              |                                    |               |             |
| 5. Council-Waikato-Tainui Co-Governance Forum                                                                                                                                                              |               |                              |                                    |               |             |
| 6. IAWAI Forum Waikato-Tainui representatives                                                                                                                                                              |               |                              |                                    |               |             |
| 7. Governance Report Review                                                                                                                                                                                |               |                              |                                    |               |             |
| 8. Mana whenua engagement process/ panel for capital projects                                                                                                                                              |               |                              |                                    |               |             |
| Residual Risk Rating                                                                                                                                                                                       |               | Low – Possible x Minor       |                                    |               |             |
| Responsible Manager(s)                                                                                                                                                                                     | Nigel Ward    |                              | Risk Treatment Option              | Mitigate      |             |
| Treatment Plans                                                                                                                                                                                            |               |                              |                                    |               |             |
| Coordinate with mana whenua to determine key representatives for engagement                                                                                                                                |               |                              |                                    |               |             |
| Review whether collectivising JMA is appropriate                                                                                                                                                           |               |                              |                                    |               |             |
| Develop an iwi consultation framework                                                                                                                                                                      |               |                              |                                    |               |             |

| IAWAI Strategic Risk 11                                                                                                                                                                                                                                                                                                                                                                                                         |                               |                       |                              |               |              |
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| SR11 Failure to Maintain Trust and Confidence of Stakeholders and Customers                                                                                                                                                                                                                                                                                                                                                     |                               |                       |                              |               |              |
| Poor stakeholder and customer relationship management could lead to a failure to maintain the trust and confidence of customers and key stakeholders. This could result in distrust, reputational damage and a lack of engagement.                                                                                                                                                                                              |                               |                       |                              |               |              |
| Risk Owner                                                                                                                                                                                                                                                                                                                                                                                                                      | Amomai Pihama                 | Category              | Reputation Political         | Risk Appetite | Cautious - 2 |
| Inherent Risk Rating                                                                                                                                                                                                                                                                                                                                                                                                            |                               |                       | Very High – Possible x Major |               |              |
| Existing Controls                                                                                                                                                                                                                                                                                                                                                                                                               |                               |                       |                              |               |              |
| 1. Key relationship holders identified<br>2. Operational Media Management<br>3. Media Policy<br>4. Effective public communication<br>5. Regular engagement with stakeholders at political and executive level<br>6. Emerging trend analysis and horizon scanning<br>7. IAWAI Brand Guidelines<br>8. Significance and Engagement Policy<br>9. Shared Services – Customer Services<br>10. Shared Services – Research and Insights |                               |                       |                              |               |              |
| Residual Risk Rating                                                                                                                                                                                                                                                                                                                                                                                                            |                               |                       | Medium – Possible x Moderate |               |              |
| Responsible Manager(s)                                                                                                                                                                                                                                                                                                                                                                                                          | Natasha Yarrall<br>Nigel Ward | Risk Treatment Option |                              | Mitigate      |              |
| Treatment Plans                                                                                                                                                                                                                                                                                                                                                                                                                 |                               |                       |                              |               |              |
| Develop a Communications and Engagement Strategy                                                                                                                                                                                                                                                                                                                                                                                |                               |                       |                              |               |              |
| Develop Digital Presence                                                                                                                                                                                                                                                                                                                                                                                                        |                               |                       |                              |               |              |
| Develop and implement a crisis communication framework ( <i>Links to Strategic Risk 1</i> )                                                                                                                                                                                                                                                                                                                                     |                               |                       |                              |               |              |
| Implement Regular Community Engagement Sessions                                                                                                                                                                                                                                                                                                                                                                                 |                               |                       |                              |               |              |
| Misinformation Policy                                                                                                                                                                                                                                                                                                                                                                                                           |                               |                       |                              |               |              |
| Social Media Policy                                                                                                                                                                                                                                                                                                                                                                                                             |                               |                       |                              |               |              |

| IAWAI Strategic Risk 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              |                       |                              |               |               |
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| SR12 Failure to Attract and Retain Skilled Staff                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |              |                       |                              |               |               |
| Reputational challenges, lack of adequate people resource, unclear direction and strategy, inadequate business tools, systems and processes or ineffective leadership could lead to low staff engagement resulting in fatigue, health and safety issues, poor performance and retention issues.                                                                                                                                                                                                                                                 |              |                       |                              |               |               |
| Risk Owner                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Peter Winder | Category              | People Service Delivery      | Risk Appetite | Receptive - 4 |
| Inherent Risk Rating                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |              |                       | Very High – Possible x Major |               |               |
| Existing Controls                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |              |                       |                              |               |               |
| 1. Change Management framework and processes<br>2. Corporate Change and Improvement Hub (CCIH)<br>3. Deliver the Digital Services and Business Improvement work programme<br>4. Diversity Equity and Inclusion Policy<br>5. Corporate Communications<br>6. Leadership Capability<br>7. Rewards and Recognition Scheme<br>8. IAWAI ‘Our Way of Working’<br>9. Puna – HRIS system<br>10. Shared Service – People Safety and Wellbeing<br>11. Shared Service – Change Management Corporate Communications<br>12. Shared Service – Digital Services |              |                       |                              |               |               |
| Residual Risk Rating                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |              |                       | Very High – Possible x Major |               |               |
| Responsible Manager(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Becca Brooke | Risk Treatment Option | Mitigate                     |               |               |
| Treatment Plans                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |              |                       |                              |               |               |
| Develop Workforce planning and succession planning                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |              |                       |                              |               |               |
| Establish an IAWAI employment brand ( <i>While shared services deliver – employee proposition brand is required</i> )                                                                                                                                                                                                                                                                                                                                                                                                                           |              |                       |                              |               |               |
| Develop a systematic review process for resourcing and emerging issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |              |                       |                              |               |               |
| Develop a disestablishment plan for Shared Services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |              |                       |                              |               |               |
| Develop a disestablishment plan for Watercare                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |              |                       |                              |               |               |
| Establish services within IAWAI (post disestablishment)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              |                       |                              |               |               |