

AWRI Policy: AWRI Board Charter

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1. Purpose

The Board Charter sets out the role, responsibilities, structure and processes of the Board of Directors which supplement those dealt with in the AWRI's Constitution. The Board Charter is to be read in conjunction with both the Constitution and the Matters Reserved for the Board.

2. Definitions

Relevant Legislation

Legislation including the *Corporations Act 2001* (Cth), the *Australian Charities and Not-for-profits Commission Act 2012* (Cth) and the *Australian Charities and Not-for-profits Commission Regulation 2013* (Cth) with which the AWRI is obliged to comply.

3. Roles and responsibilities

The Board

The primary role of the Board is to oversee the administration (management), operations and overall corporate governance of the AWRI and ensure that the AWRI fulfils its mission. The Board's role is to provide foresight, oversight and insight across all activities of the AWRI.

The objectives of the Board are to:

- Provide strategic guidance to AWRI's research, development, extension and commercial activities by ensuring AWRI's activities are consistent with its mission and constituted objects;
- Ensure compliance with all work health and safety obligations and oversee, encourage and maintain best practice work health and safety procedures;
- Guide and support the Managing Director to optimise the performance of the AWRI within agreed risk management parameters;
- Give the Managing Director the delegated authority, responsibility and autonomy to manage the operational activities of the AWRI;
- Ensure that the AWRI fulfils its legal and other obligations to all legitimate stakeholders;

- Promote, support and uphold the AWRI's values and its reputation of scientific integrity, independence and excellence;
- Nurture a culture of transparent and timely information sharing between management and the Board.

The Board achieves its objectives through undertaking the responsibilities set out in the Matters Reserved for the Board.

The Chair

The Constitution provides that Directors may elect a Director as Chair of Directors' meetings and may determine the period for which the Chair will hold office.

The Board will appoint a non-executive director as the Chair of the Board. The Board must determine the period of time for which the Chair will be appointed. It is recommended that the minimum term of appointment is one year however if agreed the Chair can be elected for a period up to the remaining period of their current term and is eligible for re-election as the Chair for each remaining term up to the maximum number of terms.

The Chair is required to:

- provide leadership to the Board;
- ensure the efficient conduct of the Board's function;
- chair Board and Member meetings;
- ensure all Directors are briefed regarding material matters arising at or between Board meetings;
- facilitate the effective contribution of all Directors, providing coaching where necessary;
- promote an environment of trust, respect and openness to ensure consultative and constructive relationships between the Board and management;
- consider and if warranted approve any individual Director's formal request to obtain expert advice at the AWRI's expense with regard to any matter of material importance being considered by the Board;
- commit the necessary time to effectively discharge the role of Chair;
- work closely with the Managing Director, acting as a sounding board and providing counsel without dominance;
- provide representation for the AWRI in appropriate forums;
- participate in crisis management when necessary; and
- periodically assess the collective performance of the Board and individual Directors through consultation with individual Directors and senior management.

Managing Director

The Constitution appoints the Managing Director as an *ex officio* Director.

The Managing Director is responsible to the Board for the development and implementation of strategy and the overall management and performance of the AWRI. The Managing Director manages the AWRI in accordance with strategies outlined in the strategic business and research plans, and implements policies approved by the Board from time to time that support that plan.

The Managing Director has primary responsibility for bringing to the attention of the Board and each Board Committee issues which fall within the Board's responsibilities or within a Committee's responsibilities and delegated authority, and any other issue which the Managing Director considers requires the attention of the Board or a committee.

Individual Directors

As provided for in Relevant Legislation all Directors must comply with their legal and fiduciary duties and obligations when discharging their responsibilities as Directors. Directors are required by legislation and common law to, among other things:

- act honestly;
- use any information gained through the Director's position properly and ethically;
- proactively disclose and appropriately manage conflicts of interest;
- use care and diligence;
- ensure the AWRI can pay its debts;
- ensure proper accounts and records are kept;
- act in the AWRI's best interest; and
- exercise due diligence and act proactively to ensure that the AWRI complies with relevant work health and safety legislation.

Company Secretary

Relevant Legislation and the Constitution require the AWRI to have at least one Secretary. The Directors are to appoint the Secretary.

The Company Secretary will:

- be accountable to the Board, through the Chair, on corporate governance matters;
- manage the election of levy payer Directors to the Board;
- assist the Nominations Committee in managing the recruiting process for Appointed Directors;
- facilitate the election of the Chair of the Board; and
- prepare the minutes of Board meetings.

4. Board composition and terms of office

The AWRI's Constitution provides that there will be not less than 5 nor more than 11 Directors. Three of those directors are nominated and/or elected by organisations that pay the *Wine Grapes Levy* and one of those directors is nominated and/or elected by organisations that pay the *Grapes Research Levy*. Levy payer elected Directors should, in addition to their other duties and responsibilities, provide an industry perspective to the direction and priorities of the AWRI's activities. Up to six Appointed Directors possessing complementary skills can also be appointed by the Board from nominations received from the Nominations Committee. The only Executive Director is to be the Managing Director.

The Board will ensure, as far as is reasonably practicable, that the Non-Executive Directors include not less than:

- four persons who identify themselves as male; and
- four persons who identify themselves as female.

In the event that the outcome of an election results in the gender balance of Non-Executive Directors being contrary to this intention, the Directors are to use all reasonable endeavours to correct the gender balance at the earliest opportunity provided that such correction does not unduly compromise the balance of skills and/or experience of the Board. For the avoidance of doubt, it is anticipated that any such imbalance would be addressed through established Director appointment processes rather than requiring that a Director stand down mid-term.

The Board will be mindful, when appointing Appointed Directors, of the skills of the nominee relative to the skill set of existing Directors, as well as their independence. An independent Director is a Director who is independent of management and free of any business or other

relationship that could reasonably be considered likely to interfere with the exercise of their unfettered judgement.

For the avoidance of doubt while the full Board retains final decision making authority regarding the appointment of an Appointed Director, any decision by the full Board not to appoint the Nominations Committee's nominated candidate must be reasonable and justifiable.

The Constitution provides that all Directors will hold office for a period of three years or such other period as might be determined by the Board from time to time.

The recommended maximum number of terms of all non-executive Directors is ordinarily four terms of three years unless the balance of skills and/or experience of the Board were to be unduly compromised.

5. Committees

The Constitution provides that the Directors may delegate any of their powers, other than those which by law must be dealt with by the Directors as a Board, to a committee or committees.

The Board has established a Nominations Committee, a Personnel Committee, an Audit Committee and a Research Committee.

Each Committee has a Charter, approved by the Board, which details the scope of the delegations provided to the Committee, the composition and operation of the Committee and the term of Committee members.

6. Conduct of the Board

Meetings

The Board will meet quarterly, or more often if required, to satisfy its responsibilities, in accordance with a schedule agreed prior to the commencement of each calendar year. Additional meetings may be held as required to address specific issues.

The Chair will take reasonable measures to ensure that where possible, a quorum (5 Directors) is formed for each meeting and for each agenda item.

Directors will receive relevant Board papers at a reasonable time in advance of each Board meeting.

All Directors are expected to attend each meeting and to have adequately reviewed all Board papers provided for each meeting.

Directors are encouraged to provide input to the development of the agenda for Board meetings through the Chair.

The Board may invite such persons as it wishes to attend its meetings.

As stated in the Communications Policy, Directors are encouraged to communicate their involvement with the AWRI and to promote in general terms the work the AWRI is doing on behalf of industry. However, unless otherwise authorised by the Chair of the Board, Directors must not make statements or commitments on behalf of the AWRI.

The Board may conduct meetings in person, by telephone, video conference or other electronic means.

Assessment of the Board's performance

The Board will periodically review its performance.

7. Governance

Code of Conduct

All Directors are expected to comply with the AWRI's Code of Conduct and maintain the highest standards of ethical behaviour in discharging their duties.

Conflicts of interest

Directors are required to take all reasonable steps to avoid actual or perceived conflicts of interest with the AWRI. Conflicts of interest need to be declared as soon as a Director becomes aware of the conflict and accept the guidance of the Board as to how the conflict should be dealt with.

An annual declaration of interests needs to be completed and forwarded to the Company Secretary prior to or at the first Board meeting of each year.

The Company Secretary will maintain a register of declarations which will be circulated to the Board with the Agenda papers at each Board meeting.

Confidentiality

Each Director has a duty to maintain the confidentiality of information that he or she obtains by virtue of their position as a Director.

Training

The AWRI will regularly make available governance training to individual Directors and the Board as a whole to ensure that a contemporary understanding of best practice governance principles and appropriate skill sets are maintained.

8. Related Policies and Procedures

Audit Committee Charter
Code of Conduct
Communications Policy
Constitution of the AWRI
Matters Reserved for the Board
Nominations Committee Charter
Personnel Committee Charter
Research Committee Charter

9. References

Corporations Act 2001 (Cth)
Australian Charities and Not-for-profits Commission Act 2012 (Cth)
Australian Charities and Not-for-profits Commission Regulation 2013 (Cth)