



## **AWRI BOARD CHARTER**

### **Constitution**

The Board is constituted by the Constitution under which it is vested with the power to manage the Company.

The Board may delegate certain of its powers to the Managing Director, Board Committees and other persons.

The Board retains ultimate responsibility for the management of the Company

The Constitution governs the regulation of meetings and proceedings of the Board

### **Objectives**

The Board's objectives are to:

- provide strategic guidance to AWRI's research, development, extension and commercial activities by ensuring AWRI's activities are synergistic with contributing to the ongoing success of the Australian wine industry;
- guide and support the executive management to optimise the performance of AWRI within acceptable risk management parameters; and
- recognise AWRI's legal and other obligations to all legitimate stakeholders.

### **Role of the Board**

The primary role of the Board is to ensure that AWRI manages its resources and utilises its expertise to meet its mission and achieve its vision. The Board sets out to achieve this by:

- overseeing the development of and approving corporate strategy, guiding the implementation of that strategy and ensuring that adequate strategic planning and review are undertaken at appropriate intervals;
- giving the Managing Director and the senior management team the delegated authority, responsibility and autonomy to manage the operational activities of AWRI;
- ensuring that there are effective policies and procedures in place to enable the Board to monitor corporate performance and capabilities and to oversee the management of risk;
- promoting and supporting AWRI's values, and defending AWRI's reputation of scientific integrity, independence and excellence;
- ensuring that contemporary HR policies are in place to attract and retain high calibre staff;
- nurturing a culture where transparent and timely information is shared between management and the Board, including facilitation of opportunities to challenge views, assumptions and beliefs in an environment of trust, respect and openness; and
- ensuring AWRI communicates effectively with all significant stakeholders.

## Responsibilities of the Board

In undertaking its role, the responsibilities, of the Board include but are not limited to the following:

- oversight of AWRI's activities including its internal controls and accountability systems;
- provide input into and final approval of management's development of corporate strategy and performance objectives and monitoring performance against that strategy including reviewing from time to time the mix and content of research, development, extension and commercial activities;
- ensure that AWRI's activities and strategies take into account the legitimate interests of levy payers and other stakeholders;
- reviewing, and approving the AWRI's annual operating and capital budgets and monitoring performance against them;
- ensuring that appropriate policies and procedures are in place to manage risk and to provide direction on key issues;
- ensure that AWRI has adequate reporting systems, internal controls (both financial and operational), codes of conduct and legal compliance systems;
- ensuring that AWRI has effective processes for communicating with levy payers, industry and funding bodies;
- maintaining appropriate values to ensure the AWRI acts with the highest ethical standards and integrity;
- approving and periodically reviewing delegated limits of management's authority;
- appointing, and periodically reviewing the performance of, the Managing Director;
- protecting AWRI's financial position and its ability to meet its debts and other obligations as and when they fall due;
- ensuring that AWRI's accounts comply with relevant accounting standards and present a true and fair view of the financial performance of the company;
- ensuring a high-performance culture is developed and maintained; and
- ensuring succession plans are in place for the Managing Director.

The Board may discharge any of its responsibilities through committees of the Board established in accordance with the Constitution and the Corporation's Act.

## Board Composition and Committees

AWRI's Constitution provides that there will be not less than 7 nor more than 11 Directors. Six of those directors are nominated and/or elected by organisations that pay the *Wine Grapes Levy*. Levy payer elected directors should, in addition to their other duties and responsibilities, provide an industry perspective to the direction and priorities of AWRI's RDE&C activities. Up to four Special Qualification Directors possessing complementary skills can also be appointed. The only Executive Director is the Managing Director.

The Board will be mindful, when considering nominating Special Qualification Directors of the skills of the nominee relative to the skill set of the 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 materially interfere with the exercise of their unfettered and independent judgement.

The term of each director, other than the Managing Director is three years from their date of appointment or as otherwise allowed for in the Constitution.

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

The Chairman can be elected for up to the remaining period of their current term and is eligible for re-election for each remaining term up to the maximum number of terms.

The committees the Board currently has established are the:

- Nomination and Remuneration Committee; and
- Audit Committee.

All directors are entitled to attend committee meetings as non-members and are entitled to receive committee papers and minutes.

## **Role and Responsibilities of the Chair of the Board**

The Board will appoint a non-executive director as Chairperson who 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 on material matters arising at or between Board meetings;
- promote an environment of trust, respect and openness to ensure consultative and constructive relationships between the Board and management;
- approve if warranted any individual Director's formal request to obtain expert advice at AWRI's expense on any material matter being considered by the Board;
- arrange for non-executive directors to periodically review the performance of the Managing Director;
- commit the necessary time to effectively discharge the role of Chairperson;
- work closely with the Managing Director acting as a sounding board and providing counsel without dominance;
- provide representation for AWRI in appropriate forums; and
- periodically assess the collective performance of the Board and individual directors through consultation with individual Directors and senior management.

## **Role and Responsibilities of the Managing Director**

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

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

## **Responsibilities of Individual Directors**

All directors must comply with their legal and fiduciary duties and obligations when discharging their responsibilities as Directors. Directors are required to:

- act in good faith and in the best interests of the AWRI as a whole;
- act with care diligence and for proper purpose;
- refrain from making improper use of information gained through the position of director and from taking improper advantage of the position of director;
- avoid conflicts of interest wherever possible and where conflicts arise complying with statutory and fiduciary duties regarding disclosure and voting; and

- direct their interaction with management through the Managing Director and refrain from involvement in operational matters.

### **Role of the Company Secretary**

The Board is supported by the Company Secretary who is accountable through the Chairperson on corporate governance matters.

### **Board Meetings**

The Board will meet quarterly or more often if required to meet its objectives.

All members of the Board are expected to attend each meeting and to have adequately reviewed all Board papers submitted for each meeting.

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

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

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

### **Review of Charter**

The Board will review this Charter from time to time to ensure it remains consistent with the Board's objectives and responsibilities.

### **Publication of the Charter**

This charter will be posted on AWRI's website.