



BOARD CHARTER

Adopted: 18 February 2017

1. Role and responsibilities of the Board

The Board is responsible for and has the authority to determine all matters relating to the policies, practices, management and operation of Yarra Ranges Tourism. Some of these functions may be delegated to board committees or staff. However, the Board has the final responsibility for the successful operation of the company.

Without intending to limit the general role the board, its specific responsibilities are to:

- Set the goals and strategic direction of Yarra Ranges Tourism, including approval of major plans
- Determine all policies governing the operations of Yarra Ranges Tourism
- Appointing the CEO
- Establishing and determining the powers of board committees
- Approving the budget and all major items of capital expenditure
- Ensuring compliance with legal requirements.

2. Board Structure and Selection Process

The Board comprises up to eleven members, one chair, one Yarra Ranges Council representative, four skills based appointments and five industry representatives (one nominated from each of Yarra Valley Regional Tourism Association, Dandenong Ranges Tourism, Warburton Valley Tourism, Yarra Valley Regional Food Group and Yarra Valley Wine Growers Association).

Skills based Directors will be appointed by the establishment of a Nomination and Consultative Committee or the Governance and Finance Sub Committee. The Constitution provides that the Nominations Committee will comprise the Chairman and up to two other people approved by the Chair or nominated by the Chair provided that such persons must be independent of the board.

Nominations for candidates for director's positions will be called by way of public advertisement. Positions descriptions are to be prepared based on the above skills. Candidates will nominate in writing and include a brief statement outlining their skills and experience and how they propose to fulfil their commitments as a director and add value to the company.

The Committee will select the directors and give the Board reasons for its selection. The Board does not have the power or authority to veto, alter or reject the selections made by the Committee.

3. Directors' Skills

The board shall contain a blend of expertise in:

- Governance
- Business
- Marketing
- Event management
- Product development
- Customer service
- Relevant industry sector such as tourism, wine, food and agribusiness
- Finance
- Risk
- Government & stakeholder relations

The qualifications for directors are:

- Character of honesty and integrity
- Ability to add value for Industry Partners
- Ability to apply strategic thought to matters of issue
- Prepared to question, challenge and critique
- A willingness to understand and commit to the highest standards of governance.

4. Director Appointment

Directors will be engaged through a letter of appointment.

5. Director Remuneration

Director's positions are undertaken on a voluntary basis and there is no remuneration.

6. Director Induction and Education

All new Directors will receive an induction manual and briefing and participate in on-going educational opportunities relating to Board governance.

7. Board Evaluation

The board will regularly review the skills represented by directors on the board and determine whether the mix of those skills remain relevant for achieving Yarra Ranges Tourism's objectives.

The Board will conduct performance evaluations on the Board as a whole and the governance processes, which support the Board's work in accordance with the Board calendar.

8. Board Communication

Only the Chairperson and CEO will be authorised to speak on behalf of the board in public forums. Unless otherwise authorised prior by the Chair or CEO.

9. Directors Code of Conduct

Yarra Ranges Tourism directors will:

- Act honestly, in good faith and in the best interests of the company as a whole
- Use skill, care and diligence in fulfilling their duties
- Use the powers of office for a proper purpose,
- Demonstrate commercial reasonableness in making decisions
- Make reasonable inquiries to ensure that the company is operating efficiently, effectively and legally towards achieving its goals
- Undertake diligent analysis of all proposals placed before the board
- Not make improper use of information acquired as a director
- Not take improper advantage of the position of director
- Properly manage any conflict of interest with the company
- Understand that confidential information received in the course of exercising directorial duties remains the property of the company and it is improper to disclose it, or allow it to be disclosed, unless authorised
- Not engage in conduct likely to bring discredit upon the company
- Give of their specific expertise generously to the company
- Comply with the spirit, as well as the letter of the law, and with the principle of this charter.

10. Expectations of directors in board processes

Directors commit to the collective, group decision making processes of the Board. Individual directors will always respect the contributions of other directors and strive to understand their perspective and contributions to Board debate and discussion. Directors will debate issues openly and constructively and be free to question or challenge the opinions present at meeting wither their own judgement differs from that of other directors.

A director will behave in a manner that is consistent with generally accepted procedures for the conduct of meetings at all meetings of the board. This will include:

- Acting in a business like manner
- Addressing issues in a firm yet friendly manner
- Use judgement, common sense and tact when discussing issues
- Have mobile phones on silent mode
- Ensure that others are given a reasonable opportunity to put forward their view, that is refraining from interruption or interjections when another director is speaking

Directors will arrive promptly for meetings, will have read the papers and be ready to contribute to the discussions in the board meetings.

Directors have a duty to question, request information, raise any issue, fully canvass all aspects of any issues confronting the company and cast their vote on any resolution according to their own decision. Outside the Board room, however, directors will support the letter and spirit of board decisions in discussion with business partners, suppliers, customers, staff and other parties.

Directors will keep confidential all board discussions and deliberations. All confidential information received in the course of directorial duties remains the property of Yarra Ranges Tourism and is not to be disclosed unless authorised.

Directors will meet periodically without representatives of the management team. Directors will meet periodically with the management team for informal discussions.

Directors will endeavour to attend industry functions wherever possible.

11. Conflict of interest and related party transactions

All directors and senior officers must disclose at the commencement of each meeting any actual or potential conflict of interest that may exist or reasonably thought to exist between the interests of the director and the interests of the company. These disclosures must be recorded in a Register.

If a director cannot or is unwilling to remove a conflict of interest then that director must absent themselves from the room for the discussion of such matters to which the conflict relates. The entry and exit are to be noted in the minutes. In some cases board papers relating to the matter should not be provided to a director holding a conflict of interest. The same applies for any related party transactions.

12. Attendance and emergency contact procedures

All directors will use all reasonable endeavours to attend all board meetings. Members unable to attend must advise the Chairman as soon as practical with an explanation for non-attendance. A record of attendance will be distributed with board papers and it is expected that a level of 75% of meetings are attended to maintain fiduciary duties.

As there may be an occasional need for urgent decisions, directors will provide to the YRRM Ltd office the details of a person who knows their location so that within office hours all directors can be contacted in cases of emergency.

13. Independent Chairperson

The Chairperson is to be appointed by the Yarra Ranges Council. Council has the power to prescribe the process for appointing the Chairperson.

The Chairperson will:

- Facilitate the work of the board at its meetings and be responsible for ensuring that the principles and processes of the board are maintained
- Set the agenda for each meeting in consultation with the CEO. Any director may request that an item be added to the agenda
- Have the authority to act and speak for the Board between meetings
- Be the main point of contact between the board and the CEO
- Be kept informed by the CEO of current events that may be of interest to directors
- Provide mentoring for the CEO
- Chair the evaluation process for the CEO
- Ensure board evaluation is undertaken each year

In the absence of the Chairperson, a director chosen by the majority of directors shall take on the role for the meeting.

14. Chief Executive Officer

The CEO is responsible for the ongoing management of Yarra Ranges Tourism in accordance with the strategies, policies and programs approved by the Board.

Beyond the items reserved (see separate item) and within the limits of any delegations policy, the Board delegates to the CEO all authority to achieve Yarra Ranges Tourism's objectives.

The CEO's responsibilities include:

- Developing with the Board an agreed view on Yarra Ranges Tourism's vision and direction
- Developing, with staff, programs to implement the vision and direction
- Employing all staff under standard terms and agreements approved by the Board
- Providing leadership to staff and stakeholders
- Ensuring a safe workplace for all staff
- Ensuring a culture of compliance with all legal requirements and company policies
- Carry out day to day management of the company
- Keeping the board informed at an appropriate level of the activities of the company
- Ensuring staff act with a high degree of ethics and probity

The CEO is authorised to make all expenditures as approved in the budget and in line with a delegations policy, subject to:

- All CEO compensation outside of normal salary payments must be authorised by the Chairperson
- All business related expenses paid to the CEO must be authorised or ratified by the Chairperson.
- Using the company's resources prudently

15. Company secretary

The Company Secretary's role is to facilitate the company's corporate governance processes and guiding compliance programs. The Company Secretary holds a dual reporting responsibility to the Chair and CEO.

The tasks of the company secretary are:

- Ensuring all company legislative obligations are met
- Ensuring that the agenda and board papers are prepared and forwarded to directors seven (7) days prior to the meeting
- Recording, maintaining and distributing the minutes of meetings.

16. Powers reserved for the Board

The Board has reserved the following matters for its decision:

- Appointment of the CEO
- Approval of the Corporate Plan and Marketing Strategy
- Approval of the annual budgets
- Major expenditure in excess of approved budget in accordance with a delegations policy
- Approval of expenditure outside budget in line with a delegations policy
- Approval of all mergers and acquisitions and property acquisitions and disposals.

17. Board Meetings – Frequency and Timing

Unless otherwise agreed, board meetings will be held bi-monthly, unless otherwise agreed. Meeting dates will be set for a calendar year.

Board meetings will generally be held on the third Wednesday of every second month at 8.30 am to 11.30 am.

18. Quorum

A quorum for Board meetings is **five** members and must include at least one industry and skills based member.

19. Risk Management

The Board will maintain an oversight of all risks associated with the organisation's operations.

20. Board agenda & papers

Board papers are to be distributed to Board members 7 days prior to the meeting. A standard agenda format will be developed by the CEO/company secretary in consultation with the Board and a schedule of matters arising and/or outstanding action from the minutes is to be maintained.

20. Board minutes

Board minutes are to be distributed to Board members within 7 days after the meeting.

21. Board calendar

The Board will develop a rolling 12 month board program in order to provide an even distribution of work over the year and to ensure all major strategic issues are covered. This program will include annual consideration of strategic direction, risk management, CEO evaluation, Board evaluation, budget approval.

22. CEO evaluation

An annual performance evaluation will be held for the CEO and co-ordinated by the Chairperson. The CEO will be judged against the approved corporate and/or marketing plan. The results will be tabled for discussion at a board meeting and an in-camera session will be held. The Board and CEO will discuss and agree on goals for the upcoming year. Any salary adjustments for the CEO will be based on the performance evaluation.

23. Delegation of Authority

Delegations policy and limits will be developed by the Board and CEO and be reviewed on an annual basis.

24. Director Protection

The Company will hold directors and officers (D&O) insurance and provide each director with a copy of the policy and any changes to the policy.

The company will maintain each director's D&O insurance for seven years from the date at which they ceased to be a director.

25. Amendments to the Charter

This Charter may be modified by resolution of the Board.

