



Future Farmers Network Ltd

BOARD CHARTER 2015 - 2018

1. Introduction

The business of Future Farmers Network Limited (FFN) is conducted by a Board. In accordance with the *Corporations Act 2001* (the Act), the Board is appointed by the members at the Annual General Meeting.

This Board Charter sets out the Board's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

2. Objective

The Board, as the governing body of FFN, is responsible for the governance arrangements. The Board's decisions and actions are made through:

- setting clear strategic directions for the organisation;
- ensuring effective and efficient performance by the organisation;
- ensuring effective governance processes and practices are in place;
- ensuring the FFN meets the requirements of the law;
- facilitating effective consultations between the FFN and key stakeholders; and
- selecting and appointing the Executive Officer.

3. Accountability

The Board is accountable to the members of FFN.

4. Composition and Tenure

Number of Directors

The Board may determine the number of Directors, which must be not less than 3 and not more than 11, as set by the Constitution. Board members must be financial members of FFN.

Appointment of Directors

The members of FFN may appoint a person as a Director by resolution passed at the Annual General Meeting.

Term of Appointment

A Director is appointed for a two year term via retirement at the second Annual General Meeting following the Director's appointment or after holding office for two years, whichever occurs later. Each year half of the Directors on the FFN Board must retire. Retiring Directors are eligible to offer themselves for re-election.

5. Board roles and responsibilities

Chair

The Chair will:

- provide leadership for the Board and FFN Executive Officer;
- facilitate setting of the strategic priorities for FFN;
- encourage the identification of issues that need to be discussed by the Board and ensure that time is available either during or in association with Board meetings for these discussions to occur;
- ensure meetings are managed efficiently and effectively and that all items on the agenda are appropriately discussed;
- encourage members to prepare for and participate in meetings fully and effectively;
- actively encourage members to maintain and improve their non-executive director skills;
- provide support for and liaise with the Executive Officer on Board and appropriate matters;
- promote the effectiveness of the Board's deliberations and liaise with stakeholders;
- be the spokesperson for the Board;
- monitor, assess and provide feedback on the performance of the Executive Officer in consultation with the Nomination and Remuneration Committee and the Board members.

Board Members

Board Members will:

- be a financial member of FFN;
- be independent;
- pursue the objectives of the organisation;
- pursue agreed strategic priorities of the organisation;
- act with due diligence, care and good faith;
- be committed to act in the best interests of the organisation as a whole;
- be heard at all Board meetings;
- exercise independent judgment in decision making;
- understand and work within the legal framework of FFN and may receive periodic presentations to assist in achieving such understanding;
- work to promote member confidence in FFN;
- develop, strengthen, maintain and expand professional networks with respect to FFN;
- deal with other members, staff and stakeholders with courtesy and respect;
- maintain confidentiality;
- identify and declare any conflicts of interest, perceived or pecuniary;
- prepare for meetings, attend meetings and participate actively in discussions, raise concerns, and hold FFN staff and management accountable; and

- determine the level of allowances for the Executive Officer, in accordance with an agreed procedure.

6. Corporate and business planning

Board Members will ensure that business planning is timely and effective by ensuring that all organisational planning tools are integrated, cohesive and reflect agreed priorities and strategies.

Board Members will do this by:

- each financial year, setting guiding strategies for FFN based on a consideration of anticipated environmental impacts;
- every three years, approve a Strategic Plan that is based on these guiding strategies;
- every year, approving a rolling three-year financial plan as a minimum;
- annually, but with periodic review, approving a budget for FFN consistent with the strategic plan and the financial plan;

7. Performance management

Board Members will ensure that there is a structured and regular system of performance management, review and reporting that is aligned with organisational outcomes and outputs and generates information that is appropriate for both internal performance management needs and external reporting requirements.

Boards Members will do this by:

- ensuring that FFN has a robust system of performance monitoring and review;
- ensuring that FFN has a robust system of individual performance monitoring and review;
- regularly consider a report on progress against strategic directions and progress against the work plan;
- regularly considering reports of expenditure and financial performance against agreed budgets;
- regularly considering reports of organisational performance against agreed strategic objectives and strategies;
- publishing an Annual Report of progress against the strategic objectives.

8. Corporate governance

Board Members will ensure that corporate governance arrangements are appropriate, documented and reviewed periodically.

Board Members will do this by, every two years, considering a report into the organisation's corporate governance arrangements to ensure they align with best practice.

9. Managing Conflicts of Interest

Board Members will, prior to and at each meeting, consider each agenda item and identify any potential conflicts of interest and declare them before or at the start of each meeting and act appropriately. Any conflicts of interest must be recorded on the Conflicts of Interest Register held by the company and maintained by the Company Secretary.

The Board will:

- consider declared conflicts of interest;
- determine an appropriate action in each case for the declaration and registration of material personal interests;
- act consistently with the provisions of the Act (as amended from time to time) regarding requirements in



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respect of member's personal interests; and

- ensure that declared conflicts of interest and the outcomes for each agenda item are recorded in the Minutes.
- Advise the Company Secretary immediately of any changes to circumstance that is required to be updated or included on the Conflicts of Interest Register.

10. Confidentiality

Board Members are advised that all papers, reports (draft and final), research documents, verbal advice provided and discussions at the Board meetings, or provided to the Board meetings, are confidential unless otherwise stated or agreed by the Board.

11. Additional Information

Directors are entitled to request and receive such additional information as they consider necessary to support informed decision making. Any Director has the authority to seek any information required and the organisation must comply with such requests. All requests for information, and responses, must be communicated through the Chair to the Executive Officer. Directors should not contact staff directly.

Any Director may take such independent legal, financial or other advice as they consider necessary at FFN cost. However, the seeking of such independent advice must be first discussed with the Chair who, if appropriate, will facilitate the obtaining of the advice and disseminate to all Directors.

12. Meeting Frequency

In the first half of 2015, the Board will meet monthly.

In general, beyond the first half of 2015, the Board will transition to meeting every second month, including at least three face-to-face meetings every year and three meetings by teleconference. A one-year planned schedule of meetings is maintained by the Company Secretary and presented to the Board for approval on a rolling basis.

13. Performance Measures

The Board will:

- collectively review its performance against this Charter annually; and
- measure its performance against the following measures:

Board impact:

- Does the Board provide effective leadership and guidance on key strategic and performance issues?
- Does the Board operate well as a team?
- Do members question and debate issues when matters of concern are raised?
- Is the Chairperson effective in fulfilling the role?
- Do members actively participate in meetings and add value to FFN?

Governance framework:

- Does the Board operate within a coherent and consistent governance framework?
- Are there regular reviews of the governance framework to test its effectiveness?
- Does the Board acquit its responsibilities in relation to oversight of the performance of the organisation?



- Implementation of the intent of this Charter will be facilitated through the annual Board Work Plan and administered through the Company Secretary

14. Reporting

The Minutes of each meeting of the FFN Board are the official record of the decisions made by the FFN Board at that meeting. The minutes will be objective, with a separate action list maintained. These will be maintained by the Company Secretary.

A list of all Board decisions will be kept going forward.

15. Secretariat

The Company Secretary and Executive Officer will discuss the draft agenda with the Chairperson at least three weeks ahead of each meeting or teleconference.

The Company Secretary will circulate the agenda and meeting papers to Board members one week (seven days) prior to each meeting or teleconference.

The Company Secretary will provide the draft minutes of the previous meeting to the Board for clearance within one week of a meeting or teleconference. The Minutes are included in the package of papers provided in preparation for each meeting or teleconference.

16. Board Reserve

The Board will set a reserve level of cash to be held by the FFN that will represent the minimum amount required to allow an orderly winding up of the Company. This amount will be reviewed by the Board every two years.

17. Induction

New Board members undergo an induction prior to attending a Board meeting during which they will receive relevant information and briefings on their appointment to assist them to meet their Board responsibilities. A follow up meeting will be held post the initial Board meeting to discuss any queries or review areas requiring further clarification.

18. Review of Charter

Every two years the Board will review this Charter. Any substantive changes to the charter will be recommended by the Board and formally approved.

APPROVED: 17 August 2015

REVIEW DATE: 17 August 2017