



## **Certified Australian Angus Beef Pty Ltd**

### **Board of Directors Charter**

**Role** The primary role of the Board is to provide effective governance over the company's affairs to ensure the interests of shareholders are protected whilst having regard for the interests of all stakeholders including customers and licensees.

The Board shall operate within the boundaries established by this Charter and the company's Memorandum and Articles of Association adopted on 4<sup>th</sup> July 1996.

**Composition** The Board shall consist of no more than 7 directors and no less than 4, of whom a majority must be independent.

An independent director is a non-executive director who:-

- is not a substantial shareholder of the company or an officer of, or otherwise associated directly with a substantial shareholder of the company.
- within the last three years has not been employed in an executive capacity by the company or another group member.
- within the last three years has not been a principal of a material professional adviser or a material consultant to the company or another group member or an employee materially associated with the service provided.
- is not a material supplier or customer of the company or other group member or an officer of or otherwise associated directly or indirectly with a material supplier or customer.
- has no material contractual relationship with the company, or another group member, other than as a director of the company
- has not served on the board for a period which could, or could reasonably be perceived to, materially interfere with the directors ability to act in the best interests of the company.
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the directors ability to act in the best interests of the company.

**Chairman**

The Chairman of the Board

- shall be elected by directors
- shall be a non-executive director
- shall be independent as defined above.

**Meetings**

The Board shall meet as often as deemed necessary by the directors in order to fulfil their duties and responsibilities as directors and as dictated by the needs of the business. It is expected that under normal circumstances the Board will meet at least four (4) times each year.

**Conflicts of Interest**

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the company.

If any matter is to be discussed at a meeting of the Board which could involve one or more directors having a material conflict of interest, then those directors :-

- will declare that conflict of interest
- will not receive the relevant papers
- will not be present at the meeting whilst the matter is considered
- will not participate in any decision on the matter.

**Duties and Responsibilities****Corporate Governance:-**

The directors shall conduct the meetings of the Board, Board Committees, and the affairs of the company having full regard for best Corporate Governance practices.

**Chief Executive Officer (CEO)**

The Board shall select, appoint, evaluate the performance of, determine the remuneration of, plan for the successor of and, where appropriate, remove the CEO

The Board delegates responsibility for day-to-day management of the company, and its subsidiaries, to the CEO subject to any limits as to such delegated authority as determined by the Board from time to time.

The CEO is responsible for:-

- managing the day-to-day operations
- recommending policy and strategic direction for ultimate approval by the Board of Directors.
- acting as the spokesman for the company

However the CEO is responsible to the Board and must consult the Board on matters that are sensitive, extraordinary or of a strategic nature.

**The Boards Key responsibilities are to:-**

- oversee the conduct of the Certified Australian Angus Beef Pty Ltd business in order to evaluate whether the business is being properly managed.
- establish, monitor and modify the Certified Australian Angus Beef Pty Ltd financial objectives and corporate strategies.
- approve the strategic direction and related objectives for the company.
- consider and approve the company's annual budget including revenue, profit, capital expenditure and cash flows, as proposed by the CEO ensuring appropriate resources are available to achieve the business objectives.
- monitor financial results
- monitor the performance of the company's business objectives and strategies.
- ensure that appropriate risk management systems, internal control and reporting systems and compliance frameworks are in place and operating efficiently.
- approve and monitor progress of capital expenditure, capital management, acquisitions and divestments.
- propose, for approval by the shareholders, appropriate persons for election to the board, fill casual vacancies in board positions and manage the succession of board members
- approve and monitor any contracts of a material nature entered into by the company.
- monitor the performance of the board and board committees collectively and directors individually.
- approve (subject to shareholder endorsement) the appointment of the external auditor.
- determine and approve dividends to be paid to shareholders
- review and approve the company's annual financial statements and other financial information.

**Independent Advice** Directors are free to take independent professional advice on matters pertaining to their roles and responsibilities as directors of Certified Australian Angus Beef Pty Ltd.