



Board Charter

PURPOSE

This Board Charter (**Charter**) sets out the role, responsibilities, structure and processes of the Board of PrimeSafe.

ROLE AND RESPONSIBILITIES

In accordance with the provisions of section 45 of the *Meat Industry Act 1993*, the Board has all powers necessary to enable it to perform its functions under the *Meat Industry Act 1993* and the *Seafood Safety Act 2003*.

The role of the Board is to provide leadership and strategic guidance for PrimeSafe in addition to overseeing Management's implementation of PrimeSafe's strategic initiatives. The CEO manages the organisation in accordance with directions and delegations of the Board.

The Board is accountable to the Minister for Agriculture for the performance of PrimeSafe's business.

In performing its role, the Board aspires to excellence in governance standards. This requires the Board to work as a team and meet on a regular basis.

The key responsibilities of the Board include:

- Approving the strategic direction, significant corporate strategic initiatives and performance targets for PrimeSafe;
- Review of PrimeSafe's progress toward achievement of specific objectives;
- Considering and approving the overall risk management strategy and frameworks for managing all categories of risk across both business and operational functions;
- Monitoring of the effectiveness of risk management by PrimeSafe, including satisfying itself through appropriate reporting and oversight that appropriate internal control mechanisms are in place and are being implemented in accordance with regulatory requirements.
- Review of the internal financial and operational control arrangements of the Authority to ensure effectiveness and currency;
- Approval of the Authority's annual accounts and policies;
- Selection, appointment and succession planning of the CEO;
- Determining the CEO's annual performance objectives and goals and conduct an annual evaluation of the performance and remuneration of the CEO;
- Oversight of the management of the Authority by the CEO to ensure effective and efficient operations, with a positive workplace culture and best practice business performance in all areas of compliance, support and corporate functions;
- Providing oversight and monitoring of Occupational Health and Safety (OHS) issues in PrimeSafe and considering appropriate OHS reports and information; and
- Monitoring of PrimeSafe's relationships with licensees either by survey or industry feedback to ensure effectiveness of stakeholder engagement.

Part 6 of the *Meat Industry Act 1993* defines PrimeSafe administration, financial and Board selection. The Board has oversight of Management carrying out these and other legislated functions. This includes the requests of the *Financial Management Act 1994* and directions from the Treasurer.

ROLE AND DELEGATION TO MANAGEMENT

The CEO is responsible for the development of strategic objectives for the business and the achievement of the planned results for PrimeSafe.

Management of PrimeSafe's day to day operations is undertaken by the CEO, subject to specified delegations of authority approved by the Board.

Any matters or transactions outside the delegations of authority must be referred to the Board for approval.

BOARD SIZE, COMPOSITION AND TERM

The Board consists of at least eight and not more than ten members appointed by the Minister for Agriculture.

The areas of expertise of members to be appointed to the Authority are outlined in section 48 of the *Meat Industry Act 1993*.

Members of the Board are appointed for a period of up to three years as defined in section 49 of the *Meat Industry Act 1993*.

CHAIR AND DEPUTY CHAIR

One of the members of the Board is appointed by the Minister for Agriculture as Chair. The Chair represents the Board to the Authority's key stakeholders and communicates the Board's position when required.

The Minister after consulting with the Chair is to appoint one of the members of the Authority to be the Deputy Chair.

COMPANY SECRETARY

The Company Secretary function is carried out by the Executive Support Officer under the oversight of the CEO and is responsible for the co-ordination of all Board business, including agendas, Board papers, minutes and communications from the Chair.

All Directors shall have direct access to the Company Secretary.

BOARD COMMITTEES

The Board has established standing Board Committees to assist the Board in exercising its authority and responsibilities. The standing Board Committees are:

- Audit and Risk Committee; and
- People, Governance and Culture Committee.

These standing Committees have adopted terms of reference setting out matters relevant to the composition, responsibilities and administration of those committees as follows:

- **Audit and Risk Committee:**

The responsibility of the Committee is to assist members of the Board to:

- fulfil statutory and fiduciary responsibilities relating to the accounting and financial reporting practices of the Board;
- oversee the Victorian Auditor General's report; and
- provide advice to the Board regarding risks to the Authority.

- **People, Governance and Culture Committee:**

The responsibility of the Committee is to assist members of the Board to:

- review the organisation's governance by making recommendations to the Board;
- guide the Stakeholder Engagement Strategy for PrimeSafe
- provide oversight of the People Matters Survey and Staff Engagement Strategy
- review direction, priorities and performance measures for the CEO's Performance & Development Plan;
- annually review the performance and remuneration of the CEO; and
- appoint the CEO (as required), including total remuneration payable to the CEO.

The Board may establish ad hoc committees from time to time to consider matters of special importance or to exercise the delegated authority of the Board. The Board will determine the membership and composition of Board Committees, having regard to workload, skills and experience, and any regulatory requirements.

The Board will determine the terms of reference of ad hoc Board Committees, which will set out the roles and responsibility of each Committee.

BOARD MEETINGS, DIRECTOR ATTENDANCE AND QUORUM

Board meetings will be held regularly throughout the year, and at least as many times as it is necessary for the Board to discharge its obligations.

The Chair is responsible, in consultation with the CEO and Company Secretary, for the conduct of all Board meetings. This includes being satisfied that the agendas are comprehensive, that all agenda items are appropriate and that recommendations fit within the broad strategic direction set by the Board.

Members of PrimeSafe management (CEO and Senior Managers) are invited to attend Board meetings.

A quorum for Board meetings is prescribed in section 52 of the *Meat Industry Act 1993* (six Directors constitute a quorum).

Directors are expected to prepare adequately, attend, and participate at Board meetings and Committee meetings. The Board meets in person or by videoconference. The Board also engages in an industry site visit at least once annually.

The Board and Committee papers should where possible be provided to Directors in sufficient time to enable Directors to become fully conversant with all matters to be considered at the relevant meeting, other than in circumstances where meetings are called urgently. Papers will contain sufficient information to enable Directors to be properly informed on the matters to be considered at the forthcoming Board and Committee meetings.

The minutes of Board and Committee meetings are to be confirmed at the next meeting and signed by the Chair.

DIRECTOR INDEPENDENCE

The Board has adopted a definition of independence setting out the interests and relationships to be considered by the Board in assessing the independence of each Director.

The Board assesses independence of Directors upon appointment and annually through an attestation by each Director.

The Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the approval of the Chairperson, or in the Chairperson's absence, the Board.

BOARD PERFORMANCE AND ASSESSMENT

The Board is committed to the ongoing development of both individual Directors and the Board collectively. Once every three years, during the second year of the Board appointment cycle, the Board will conduct an evaluation of its performance covering whole of Board performance and individual Director self-assessment.

ETHICAL STANDARDS

Board members are expected to observe the highest standards of ethical behaviour, including personal integrity and honesty in their dealings.

A Director shall, in good faith, behave in a manner that is consistent with generally accepted procedures for the conduct of the meeting at all meetings of the Board. Directors are expected to be forthright in Board meetings and have a duty to question, request information, raise any issue, fully canvas all aspects of any issue under consideration by PrimeSafe and cast their vote on any resolution according to their own decision.

Outside the Boardroom, however, Directors will support the letter and spirit of Board decisions in discussions with all other parties. Directors will keep confidential all Board discussions and deliberations.

PrimeSafe Directors will abide by the Victorian Public Sector Commission (VPSC) Code of Conduct for Directors of Victorian Public Entities and will:

- comply with the *Meat Industry Act 1993* and the *Seafood Safety Act 2003*;
- use the powers of the office for a proper purpose;
- discharge their duties in good faith and honesty;
- act in a financially responsible manner;
- act fairly and impartially to avoid bias, discrimination, caprice or self-interest;
- act with the level of skill, care and diligence expected of a Director of a Government Statutory Authority;
- act for the benefit of PrimeSafe;
- not make improper use of information gained through their position as a Director;
- not take improper advantage of the position of Director;
- not allow personal interests, or the interest of any associated person, to conflict with the interests of PrimeSafe;
- make reasonable enquiries to ensure that PrimeSafe is operating efficiently, effectively and legally towards achieving its goals;
- undertake diligent analysis of all proposals placed before the Board;
- not engage in conduct likely to bring discredit upon PrimeSafe;
- give of their specific expertise generously to PrimeSafe; and
- comply with the spirit, as well as the letter of the law and with the principles of the charter.

CONFLICTS OF INTEREST

Directors are expected to avoid any action, position or interest that conflicts with an interest of PrimeSafe, or gives the appearance of a conflict.

A Director who has a material personal interest in a matter under consideration by PrimeSafe must give other Directors notice of such interest.

In circumstances where a potential conflict of interest may arise with respect to a matter being considered at a Board meeting, the Director will withdraw from the Board meeting while such matters are being considered. Accordingly, in such circumstances, the Director concerned takes no part in discussions nor exercises any influence over other members of the Board.

DIRECTORS' ACCESS TO MANAGEMENT AND INDEPENDENT PROFESSIONAL ADVICE

Directors shall have open access to the CEO. Access to other staff members of PrimeSafe should be requested via and cleared by the CEO.

Directors require high quality information and advice on which to base their decisions and considerations. The CEO will prepare and present to Directors financial and operating reports monthly. Directors may request other reports from the CEO at any time.

Where a Director considers it necessary to obtain independent financial or legal advice, payment for this advice will be the responsibility of PrimeSafe provided that the approval of the Chair or in the absence of that approval, Board approval is obtained prior to seeking the advice. The Director seeking the advice must make the advice available to all Directors on request.

DIRECTORS' DEVELOPMENT

All Directors are encouraged to undergo continual professional development to ensure the continuous improvement of the Board as a whole. Specifically, where skill gaps are identified, Directors are encouraged to participate in appropriate training or mentoring at their own cost.

DIRECTORS' INDUCTION AND ORIENTATION

New Directors will undergo a full induction into their role on the Board. Information conveyed to new Directors will include:

- An introduction to PrimeSafe staff;
- Nomination of a continuing PrimeSafe Director to mentor each new Director;
- Latest copy of the following:
 - PrimeSafe Board Charter;
 - *Meat Industry Act 1993*;
 - *Meat Industry Regulations 2015*;
 - *Seafood Safety Act 2003*;
 - *Seafood Safety Regulations 2014*;
 - PrimeSafe Annual Report;
 - PrimeSafe Corporate Plan;
 - PrimeSafe Licensee Charter;
 - Victorian Public Sector Commission (VPSC) [Resources to support Victorian public sector board directors, chairs and entities](#) (weblink only);
 - VPSC [Code of Conduct for Directors of Victorian Public Entities](#) (weblink only);
 - Governance Guidelines for DEDJTR Portfolio Statutory Authority Board Members;
- Board policies;
- PrimeSafe budget;
- Board meeting schedule for the year;

- a full briefing on current PrimeSafe operational arrangements and delegations to the CEO;
- Q-Fever vaccination information; and
- information regarding CEO contract of employment.

REVIEW OF CHARTERS

Board and Committee charters or terms of reference will be reviewed annually or as required to keep up to date with changes to legislation or government policies. The Board must approve any proposed changes.