



Murrumbidgee
Irrigation

Growing our future together
Customers • Company • Community

INFORMATION FOR SHAREHOLDERS

NOMINATING FOR THE POSITION OF A CLASS MEMBER DIRECTOR

July 2022



In this document is:

- Company Information
- Role description for directors
- Position description
- 2022 A class member director elections

Attachments

- Nomination Form
- Corporate representative appointment form

Also available on our website are:

- Constitution
- 2021 Annual Report
- “MI at a glance” summary report
- 2022 -25 Corporate Plan
- Shareholder fact sheets

COMPANY INFORMATION

Organisational Environment

Murrumbidgee Irrigation Limited is an unlisted public company. Its shares are held by customers who own Water Entitlements. Shareholders include farmer-irrigators, commercial businesses, and local Councils.

The Murrumbidgee Irrigation scheme is one of the oldest and largest irrigation schemes in NSW, operated by the NSW government for nearly 90 years, and as a private company for the past 23 years. The bulk water reticulation supply system is licensed to source water from the Murrumbidgee River. The two river offtakes extract water for delivery to customers over a wide area of the western Riverina.

The company has completed a substantial program of infrastructure upgrades in recent years, funded by the Commonwealth government's PIIOP program, to modernise and automate the network and to lift water efficiency performance to best practice levels. In 2022 and subsequent years, investment into automation will continue so that the benefits of technology are leveraged to set the region up for at least the next 50 years of production.

This table summarises the key statistics of the business.

Key Statistics	Approximate measure
Number of Landholdings serviced	+/- 3,100
Area of farms and associated lands	+/- 379,000 ha
Area irrigated annually	+/- 140,000 ha
Value of assets under management	+/- \$600 million at cost
Average annual water deliveries	+/- 640 GL
Annual Revenue (customer charges) in an average year	\$31 million
Water licences managed	1,116 GL
Delivery Entitlements issued	1.317 million
Supply and drainage channels	+/- 3,300 km
Number of staff (Full Time Equivalent)	157

Detailed information can be found in the Company's published Annual Report or on our website. www.mirrigation.com.au

2022 - 25 Corporate Plan (available on website)

A 3-year Corporate Plan was approved by the Board in 2020 and has been revised annually since. The company has progressed well on a journey to deliver benefits to customers, the company, and the community through three main themes: One Team, Ahead of the Game, and Doing Different.

Key challenges and opportunities include

- Failure by the Government to achieve the targets in the SDLAM adjustment program.
- Impacts of Murray Darling Basin Plan and water reform policy
- Completion of modernisation program
- Delivery of automation program and benefits realisation

ROLE DESCRIPTION FOR DIRECTORS

Primary Objectives

All directors are expected to contribute individually and collectively to setting and guiding the strategic direction and governance regime of the Company and ensure they successfully discharge their overall responsibility for the activities of the Company as a whole.

Directors must always perform their duties in accordance with the stipulations of the *Corporations Act 2001* (Cth), the Constitution and other applicable legislation. Once appointed to the Board, individual directors do not represent the class of shareholder by which they were appointed, but the collective interest of all shareholders.

Directors are expected to represent the Company interests where they are involved in meetings of customer groups. In some case the Chair negotiates or requests individual directors to represent the Company in interest groups.

Reporting Relationship

Directors report directly to the Chair of the Board. The Chair is responsible for dealing with management via the CEO.

Directors' meetings

Directors hold meetings on a bi-monthly basis, normally in Griffith. Meetings are held on site or via videoconference when practical. A strategy session is also held in February of each year and may be at an away venue. A meeting calendar for 2023 will be provided to the successful candidates, to assist with future planning. However, to give candidates an indication of the attendance requirements of a member-elected director, an extract of the 2022 calendar has been provided in Annexure A.

Board Committees

Board Committee meetings are usually held quarterly, timed to coincide with the Board program. All directors have a position on at least one committee. The standing committees in 2023 will be:

- Audit & Risk Committee
- Operational Risk Committee
- Remuneration & Nominations Committee

Board papers

All directors' papers and information received, whether electronic, paper or verbal, is company confidential must be always kept secure. Directors are provided with an MI system account to which only they have access. This will be used for MI correspondence and for accessing a secure portal for company documents.

Board papers are issued one week prior to the meeting date. They are delivered electronically to each director's iPad or computer. If the director does not own an iPad, MI will provide one for their use.

Conflicts of interest

As all member directors are shareholders and customers of the company, the potential for conflicts of interest is a topic that directors and the Board must be vigilant of at all times. The company has strict protocols to manage conflicts of interest, and directors are subject to the requirements of

Corporations law in this regard.

Induction and information

A new director is required to sign a form of consent to act as a director, which the company lodges with ASIC.

Candidates are responsible for ensuring that, prior to their appointment as a director, they hold a Director Identification Number (**DIN**). Your requirement for a DIN is as follows:

Date of first appointment as a director of an Australian company	Date by which an application for a DIN must be made
On or before 31 October 2021	By 30 November 2022
Between 1 November 2021 and 4 April 2022 (inclusive)	Within 28 days of appointment
From 5 April 2022 onwards	Before appointment

The first Board meeting after appointment at the AGM on 9 November 2022 (held in Griffith) will be in mid-December in Griffith. A Director's Handbook, which is a set of reference material including the Board Charter, Board policies, and other relevant company information, will also be available. An induction program over the ensuing few weeks will be arranged in consultation with the new director to familiarise them with the company's operations from a director's perspective.

Directors' responsibilities training

The Company expects that directors will either have or will undertake appropriate training in the roles and responsibilities of Company Directors. MI will meet the cost of that training. Directors are required to join the Australian Institute of Company Directors and to undertake the AICD Directors' Course at MI's expense. Annual updates and continuous development of directors' skills and knowledge should be undertaken.

Indemnity and insurance

Under the Constitution, directors and officers are indemnified by the Company for liabilities incurred through being an officer. The Company maintains Directors and Officers Liability Indemnity Insurance for directors while they are directors and for a period after they cease to be a director. The Company also has an insurance policy to cover the legal costs a director may incur in their own defence of such cases. Cover does not apply if the director has wilfully breached their duties in relation to the company or is found to have contravened Sections 182 (misuse of position) or 183 (misuse of information) of the *Corporations Act 2001* (Cth).

The Company Secretary can supply further details if required.

Prospective directors should make themselves aware of their duties under common law, the Corporations Act, WHS law, Environmental law and water law as some elements may provide particular challenges for member directors.

Remuneration

The maximum aggregate remuneration of directors is set periodically by shareholders and increases annually on 1 July by CPI. The Board sets individual remuneration rates dependent on the level of

role and responsibilities taken on. Directors receive a basic fee of around \$59,000 per annum, including compulsory employer superannuation.

The Company also meets business costs of training, travel, accommodation and ancillary expenses incurred in the course of conducting directors' duties.

POSITION DESCRIPTION FOR DIRECTORS

Collective knowledge, skills and experience sought in directors

- Understanding of agricultural, rural and water issues.
- Knowledge and experience in strategic decision making that relates to and requires integration with wider community objectives affecting irrigators, government agencies, the community and organisations in the private sector.
- Strategic management skills and knowledge of frameworks or models that will enhance the Company's performance and commercial viability.
- Ability to contribute to the development of strategies and policies to guide and strategically position the business sustainably for the future.
- Functional experience in one or more areas: financial management, land management, environment planning, community development, production, construction, marketing, human resources, and/or other management-related areas.
- Understanding of, or experience in a similar role, as a director of a business, an association or an industry group and the related governance and compliance obligations.
- Commercial expertise in running a successful company, co-operative or a similar organisation would be desirable.
- Demonstrated negotiation skills.
- Well-developed communication skills.

Key accountabilities

- Establish the strategic direction of the Company.
- Develop corporate strategy, key strategic objectives and targets, make major decisions involving the use of financial and other resources, and personnel issues, including key appointments and standards of conduct.
- Establish and maintain an up-to-date framework of strategic control (scheme of delegated or reserved powers).
- Delegate the day-to-day management matters to executive management so far as is practicable, to the extent permitted by legislation and other provisions governing the Company.
- Define annual and longer-term objectives and agree on plans to achieve them.
- Oversee the delivery of planned results by monitoring performance against agreed strategic objectives and targets, and ensure corrective action is taken when necessary.
- Establish and enhance an effective system of corporate governance and behaviour.
- Establish clearly documented and understood management processes for policy development, implementation and review and for decision making, monitoring, control and reporting, and formal procedural and financial regulations to govern the conduct of the board's business.
- Establish effective arrangements to ensure compliance with applicable statutes and regulations, and other relevant statements of best practice.
- Establish appropriate arrangements to ensure the Company's resources are properly safeguarded and used economically, efficiently and effectively, and in accordance with the statutory or other authorities that govern their use. In this regard, the directors should ensure that:
 - systems of internal control are established and continue to operate in practice,

- effective systems of risk management are established as part of the systems of internal control,
- appropriate audit committee processes are established with responsibilities for the independent review of relevant systems,
- clear channels of communication are established with their shareholders and other stakeholders on the Company's roles, objectives and performance, and appropriate procedures to ensure that they operate effectively in practice.

For further information the Company Secretary can be contacted by phone or email as follows:

Michael Turnell

P: 02 6962 0200

E: company.secretary@mirrigation.com.au

2022 ELECTION

A Class Member Director position

A position exists for one A Class Shareholder Elected Director. The new director will take up their position from the end of the 2022 AGM on Wednesday, 9 November 2022.

Number of Directors

The company has four member directors, of which

- two are A Class directors, and
- two are B Class directors.

There are also three Independent Directors and a Managing Director.

The Chair and Deputy Chair are appointed by the directors (excluding the Managing Director).

A Class Member Director eligibility

A shareholder of the Company is qualified to hold office as an A Class Member Director if either:

1. The shareholder holds voting A class shares in their own name and owns a Landholding registered in the same name as the shares,

OR

2. The person is the Sole Body Corporate Representative* of, and a shareholder of, an MI shareholder, and that MI shareholder:
 - a. holds voting A class shares; and
 - b. is a landholder; and
 - c. is a company or co-operative.

Any shareholder who holds both A and B class shares is only eligible to hold office in the class in which they hold more shares. If the shareholder holds equal numbers of A and B class shares, they will be deemed to be an A class shareholder.

No officer or staff member of the company is eligible to be a Member Director.

Term of Office

A Member Director holds office until the conclusion of the fourth Annual General Meeting after his or her election.

Nominations

An A Class candidate must be nominated in writing by a proposer and seconder who must themselves be A Class voting shareholders. Further, the proposer and seconder must provide written consent to their nomination. A nomination form is attached.

MI will release the names of the nominees after the closing of the nominations period.

Withdrawal of Nomination

Any candidate may withdraw his or her consent to nomination at any time before the close of nominations and within 7 days after the close of nominations by lodging a Notice of Withdrawal with the Link Market Services. Contact details will be provided with the Nomination Form.

MI will publish the final list of nominees after the closure of the withdrawal period.

Constitution

The election process will operate in accordance with the Company's Constitution.

Election process

The primary method of voting will be conducted by electronic ballot in order to obtain the most comprehensive participation of eligible voting shareholders. Shareholders without electronic systems, as well as those shareholders who nominate to vote in paper, will be eligible to submit a postal ballot.

Link Market Services will run the entire election process, including the role of Independent Returning Officer. Company Secretary Michael Turnell will be MI's liaison point for the Independent Returning Officer.

Election Timetable 2022

8 August	Monday	Nominations open
19 August	Friday	Nominations close
26 August	Friday	7-day optional withdrawal period ends
29 August	Monday	Order of ballot draw
7 September	Wednesday	Ballots open (9:00am)
21 September	Wednesday	Ballots close (5:00pm)
30 September	Friday	Results announced

Candidate support

When nominating for the position, you will be required to complete a biography that will accompany your nomination material available to voting shareholders.

In addition, MI will provide candidates with a list of the names and addresses of voting A Class shareholders. MI will also email one promotional flyer on behalf of each candidate. This flyer will need to be completed by the individual candidate.

Ballot method

The method of voting is preferential voting, and it is a secret ballot.

Shareholders have one vote per landholding. A ballot indicating the number of votes (landholdings) the shareholder has will be sent to every A class shareholder unless there is only one candidate in a class, in which case that nominee is elected unopposed.

Election process key points

This year, the election process will be managed by Link Market Services. Instructions on the election process will be provided by Link Market Services.

Directors' Meeting Calendar 2022

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
Mon								1					Mon	
Tues		1	1					2			1		Tues	
Wed		2	2			1		3			2		Wed	
Thurs		3	3			2		4	1		3	1	Thurs	
Fri		4	4	1		3	1	5	2		4	2	Fri	
Sat	1	5	5	2		4	2	6	3	1	5	3	Sat	
Sun	2	6	6	3	1	5	3	7	4	2	6	4	Sun	
Mon	3	PH	7	7	4	2	6	8	5	3	PH	7	5	Mon
Tues	4	8	8	8	5	3	7	9	6	4	8	6	6	Tues
Wed	5	9	9	6	ORC	4	8	10	7	5	9	AGM - GRF	7	Wed
Thurs	6	10	10	7	5	9	7	11	8	6	ORC	10	8	Thurs
Fri	7	11	11	8	6	10	8	12	9	7	11	9	9	Fri
Sat	8	12	12	9	7	11	9	13	10	8	12	10	10	Sat
Sun	9	13	13	10	8	12	10	14	11	9	13	11	11	Sun
Mon	10	14	14	11	9	13	PH	11	15	12	14	12	12	Mon
Tues	11	15	15	12	10	14	12	16	13	11	15	13	13	Tues
Wed	12	16	16	13	11	15	13	17	14	12	16	14	14	Wed
Thurs	13	17	17	14	12	16	14	ORC	18	15	17	15	BOARD	Thurs
Fri	14	18	18	15	PH	13	17	15	19	16	18	16	16	Fri
Sat	15	19	19	16	14	18	16	20	17	15	19	17	17	Sat
Sun	16	20	20	17	15	19	17	21	18	16	20	18	18	Sun
Mon	17	21	21	18	PH	16	20	18	22	19	21	19	19	Mon
Tues	18	22	22	19	17	21	21	19	23	20	22	20	20	Tues
Wed	19	23	STRAT	23	20	18	22	20	AUD	21	19	23	21	Wed
Thurs	20	24	BOARD REM	24	21	19	23	21	25	22	24	25	22	Thurs
Fri	21	25	25	22	20	24	22	26	23	21	25	23	23	Fri
Sat	22	26	26	23	21	25	23	27	24	22	26	24	24	Sat
Sun	23	27	27	24	22	26	24	28	25	23	27	25	25	Sun
Mon	24	28	28	25	PH	23	27	25	29	26	28	26	PH	Mon
Tues	25		29	26	24	28	26	30	RNC	27	25	29	PH	Tues
Wed	26	PH	30	ARC	27	25	PLACEHOLDER	29	BOARD	28	PLACEHOLDER	30	ARC	Wed
Thurs	27	PLACEHOLDER	31	PLACEHOLDER	28	BOARD	26	ORC	30	BOARD	28	ARC	RNC	Thurs
Fri	28			29	27		29		30		28			Fri
Sat	29			30	28		30				29		31	Sat
Sun	30				29		31				30			Sun
Mon	31				30									Mon
Tues					31									Tues
Wed														Wed

- Board Meeting Dates
- Committee meetings - Audit, Remuneration, Operational
- Shareholder Meetings
- Public Holidays
- NSW School Holidays
- Strategy Session
- National Irrigators Council
- NSW Irrigators Council
- Placeholder Board Teleconference: 8:30am to 10:30am - Reserved for Zoom Board discussion if Chair determines