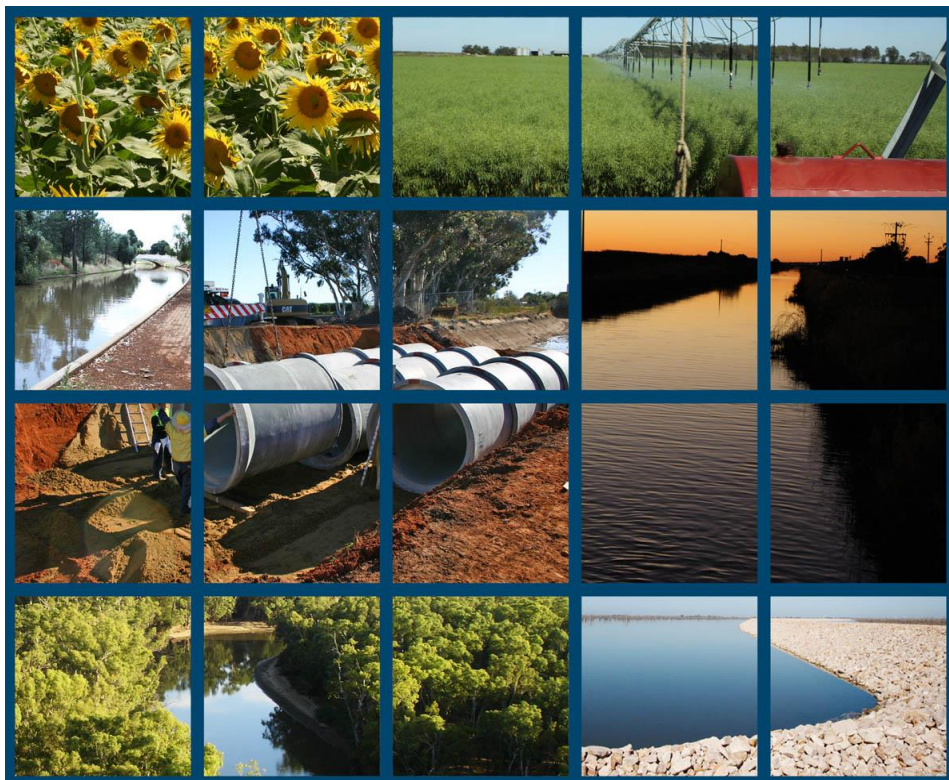




INFORMATION FOR SHAREHOLDERS NOMINATING FOR THE POSITION OF B CLASS MEMBER DIRECTOR

July 2023



In this document is:

- Company Information
- Role description for directors
- Position description
- 2023 B class member director elections

Attachments

- Nomination Form
- Corporate representative appointment form

Also available on our website are:

- Constitution
- 2022 Annual Report
- “MI at a glance” summary report
- 2023 -26 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 25 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. The company's investment into automation will continue so that the benefits of technology are leveraged to set the region up for the future.

This table summarises the key statistics of the business.

Key Statistics	Approximate measure
Number of Landholdings serviced	3,250
Area of farms and associated lands	380,000 ha
Area irrigated annually	140,000 ha
Value of infrastructure assets	\$2.5 billion
Average annual water deliveries	620 GL
Annual Revenue (customer charges) in an average year	\$31 million
Water licences managed	1,116 GL
Delivery Entitlements issued	1.322 million
Supply and drainage channels	3,300 km
Number of staff (Full Time Equivalents)	160

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

2023 - 26 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 the Murray Darling Basin Plan and water reform policy.
- Completion of the modernisation program and automation projects.
- Realisation of the benefits of new and automated technology.
- Responding to impacts from climate change.

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 necessary. A strategy session is also held in February of each year and may be at a venue outside the MIA. A complete meeting calendar 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 2023 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 2024 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 and 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, which will be provided by MI.

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.

Separately, and as part of the Board Charter, member directors **must be financial** to hold the position as a director. This means that all charges have been paid by their due date, or alternatively, the member director has an approved payment arrangement with the Company and is not in breach of the terms of that arrangement.

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.

The first Board meeting after appointment at the AGM on 8 November 2023 (held in Leeton) 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 Company 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

2023 ELECTION

B class Member Director position

A position exists for one B class Shareholder Elected Director. The new director will take up their position from the end of the 2023 AGM on Wednesday, 8 November 2023.

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).

B Class Member Director eligibility

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

1. The shareholder holds voting B 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 B 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.

Financial

The Board Charter stipulates that member directors **must be financial** to hold the position as a director. This means that all charges have been paid by their due date, or alternatively, the member director has an approved payment arrangement with the Company and is not in breach of the terms of that arrangement.

Term of Office

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

Nominations

A B class candidate must be nominated in writing by a proposer and seconder who must themselves be B 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 notifying the Company Secretary.

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. The Company Secretary will be MI's liaison point for the Independent Returning Officer.

Election Timetable 2023

7 August	Monday	Nominations open
18 August	Friday	Nominations close
25 August	Friday	7-day optional withdrawal period ends
28 August	Monday	Order of ballot draw
6 September	Wednesday	Ballots open (9:00am)
20 September	Wednesday	Ballots close (5:00pm)
22 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 B 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 B 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.

FY24 CALENDAR

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

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