



## Mainland Dairy Suppliers' Council (MDSC) Councillor Guidelines / Handbook

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### **The role, structure and responsibilities of the MDSC Councillors.**

**Season 2026 edition**

**MDSC Ambition:**

**We strive to enhance the partnership between Lactalis-Mainland Dairy and  
all its farmers, so we can realise our potential – together.**

## WELCOME TO THE MDSC

This Councillor Handbook and the documented guidelines provide a guide to the structure, the aims and the function of MDSC and its councillors.

MDSC and Lactalis-Mainland Dairy Australia believe that having a sustainable, committed and viable supplier base is an essential part of building a strong company.

### MDSC Ambition statement

**We strive to enhance the partnership between Lactalis-Mainland Dairy and all its farmers, so we can realise our potential – together.**

Linking the needs of Lactalis-Mainland Dairy's farmers to the wants of the end customers is essential to the growth and profitability of both Lactalis-Mainland Dairy and farmer suppliers. To ensure we can deliver on this commitment, we partner together in building each other's businesses.

The focus of this partnership is in four key areas:

- Leveraging Lactalis-Mainland Dairy's global strength for farmer benefit
- Maximising farmer profitability
- Assist Lactalis-Mainland Dairy in maintaining a competitive advantage of having greater insights and a better connection with suppliers. e.g. having the most valued service offerings to suppliers.
- Assist Lactalis-Mainland Dairy in achieving its strategic goals via strong partnerships with suppliers.

### To achieve these goals the Suppliers' Council has the agreed purpose to:

**Mainland Dairy Suppliers' Council is a voice for farmers. We represent suppliers to drive the best outcomes for both parties through consistent and transparent communication.**

### So how does MDSC achieve its Ambition and Purpose?

**The MDSC structure is designed to:**

Facilitate the inclusion of suppliers from all regions.

Provide two-way consultation between MDSC, Lactalis-Mainland Dairy and its milk suppliers, with a strong regional focus.

Provide input to the MDSC Executive and Lactalis-Mainland Dairy on wider business and industry issues.

Provide leadership in contributing to an industry-leading value proposition for farmers.

**This to be carried out by:**

Providing communication between our suppliers, the MDSC Executive and Lactalis-Mainland Dairy.

Developing strong relationships with both the regional Farm Source teams and fellow suppliers

Improving the responsiveness and understanding of Lactalis-Mainland Dairy management.

Fostering a level of understanding between all our farmer suppliers and the company.

Providing leadership in increasing the loyalty and commitment of suppliers.

## MDSC's STRUCTURE

MDSC is operated under a company structure - comprised of an elected Board of Directors (“Executive”) comprising up to 6 supplier directors and up to one independent director. MDSC also has up to 12 councillors – up to 3 from each Lactalis-Mainland Dairy’s four regions.

MDSC’s overarching role is to represent the interests of all Lactalis-Mainland Dairy suppliers in Victoria and Tasmania with a collective independent voice.

### Benefits to suppliers:

- Farmers working collectively for farmers, with a strong regional focus.
- Strong and active representation of supplier’s interests with Lactalis-Mainland Dairy.

### What we do:

- Negotiate with Lactalis-Mainland Dairy, on behalf of our suppliers, on conditions of milk supply.
- Engage proactively with other farmers in our regions and more broadly.
- Develop the next generation of dairy industry leaders through the sponsorship of several leading dairy / agriculture training programs, such as the Proud to be a Dairy Farmer program.
- Oversee the operation of the MDSC processes for direct farmer feedback to the MDSC Executive and Lactalis-Mainland Dairy (both at a regional and national level).
- Represent supplier’s interests with Lactalis-Mainland Dairy and work with Lactalis-Mainland Dairy to develop initiatives to support farmers.
- Actively participate in supplier meetings, field days, industry conferences, industry forums etc., and actively provide feedback to Lactalis-Mainland Dairy (either directly in the regions or via the MDSC Executive).
- Assist Lactalis-Mainland Dairy in communicating with our suppliers.

### Our relationship with Lactalis-Mainland Dairy

MDSC have a formal written operational agreement with Lactalis-Mainland Dairy.

### Lactalis Group:

Lactalis-Mainland Dairy is wholly owned by Lactalis - a **French multinational dairy products corporation**, privately owned by the Besnier family and based in Laval, France. Lactalis Group is the world's largest dairy company with over 250 production sites and 90,000 employees across 90 countries

Lactalis-Mainland Dairy collects approximately 1.4 billion litres of milk annually from its farmer suppliers in Victoria and Tasmania.

## MDSC's 2026 STRATEGIC PRIORITIES

### The Strategic Priorities are the key areas of focus for the upcoming period.

**Our People / Credibility – Development of competencies to enable all members to understand their role and to excel.**

- Members of the Executive & Councillors will all have Engagement Plans that set out the expectations for their roles. These will be monitored and formally reviewed twice yearly. Actions will be agreed to address identified gaps.
- Focus on expanding individual’s connections to local region (Farmers, Industry, Farm Source). Overall push to have a more active regional focus – in particular Exec & Councillor interactions / expectations.
- Continue to earn the respect of our processor by our governance and conduct.

**Measuring Performance – continually review our performance to our goals and strategy.**

- MDSC Regional Scorecards to be updated quarterly and Executives held accountable.
- Gaps to be identified early and measures put in place to address. Assistance sought as required.

**Improved Farmer Insights & feedback and communication.**

- Initiatives to expand overall MDSC knowledge of Lactalis-Mainland Dairy, what they offer, how they differ and the challenges & opportunities that face Lactalis-Mainland Dairy – helps all MDSC members understand the scope of their role.
- Identification of key areas to aid decision making by Lactalis-Mainland Dairy on behalf of farmer networks.
- More actively seek council on key farmer impacting decisions. Strong regional focus by MDSC.

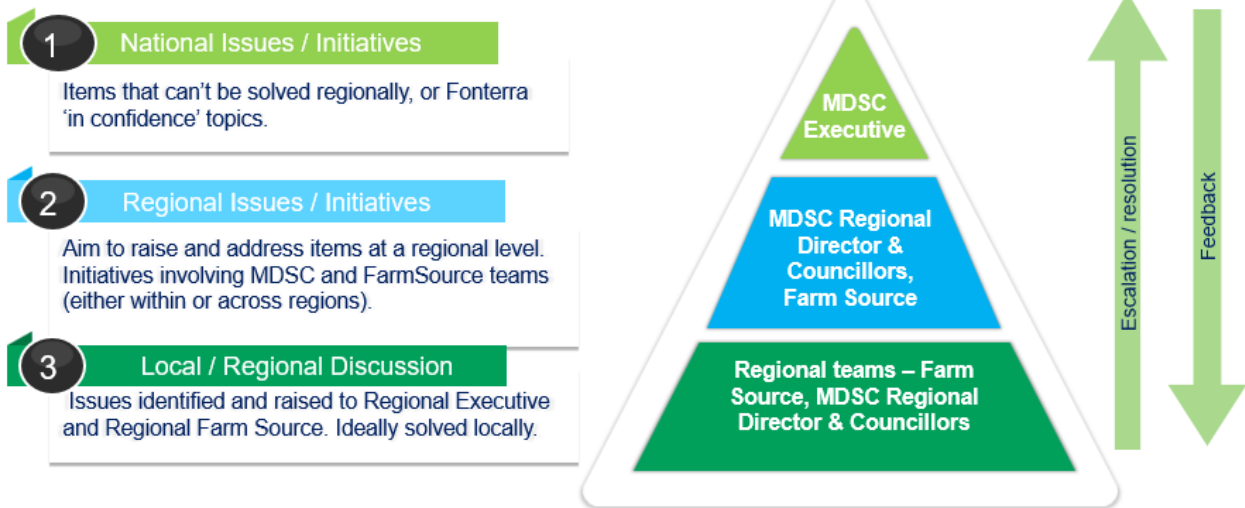
**MDSC Programs optimised.**

- Continued promotion and optimisation of our key programs – Proud to be a Dairy Farmer (PTBDF) and Get to know Mainland Dairy (GTKMD). Focus to be on program promotion & recognition.
- Clear expectations on MDSC member engagement with the promotion and running of these programs.

**Milk Price Focus.**

- The chair & deputy chair will participate in Market Ready Pricing meetings with Lactalis-Mainland Dairy staff, the executive will have bi-Monthly pricing reviews with Lactalis-Mainland Dairy. Milk price discussions with Lactalis-Mainland Dairy are to be limited to the Executive. Milk price discussions are outside the remit of the Councillor roles.

## MDSC STRUCTURE AND INTERACTIONS



## POSITION DESCRIPTIONS

The MDSC is made up of an elected Executive and Councillors.

It is the Councillors who will concentrate on milk supply and supplier issues, with a focus on their regions. As a reference group representing the views and opinions of Lactalis-Mainland Dairy suppliers in their region, they will play a vital part in helping the Executive and Lactalis-Mainland Dairy Australia's management, staff and suppliers grow in their understanding of themselves and the business with which they are involved.

The key role of all MDSC councillors is open and honest engagement and communication, from a wide range of suppliers. This communication is intended to be mostly an upwards communication (to the MDSC Chair, to the MDSC Executive, to the regional Farm Source team and to Lactalis-Mainland Dairy management).

It is not intended that the Supplier Councillors will be a regular or formal communication medium back to suppliers unless this is specifically requested – this is generally considered the role of the MDSC Executive and Lactalis-Mainland Dairy management. Councillors may still however be engaged by the MDSC Executive or Lactalis-Mainland Dairy Communications team to assist with communicating to either suppliers, or the Media, as appropriate.

Through their involvement, Councillors will develop their own industry knowledge and leadership skills. Personal development opportunities will also be available and will be agreed and facilitated with the help of MDSC. There is also the expectation that all MDSC members will expand their existing networks of farmer connections – as it is this network that allows MDSC to represent a wider range of farmer opinions in their region. These learnings and expanded farmer networks are intended to not only assist Councillors with their immediate roles, but to also be developmental and to help them with future roles in the broader Dairy Industry and / or the wider community.

Councillors may be asked to participate in working groups with Lactalis-Mainland Dairy staff. The Councillors will not be involved in any price negotiations or operational issues that sit with Lactalis-Mainland Dairy (and the MDSC Executive). It will also not be a platform for special interest groups.

MDSC Councillors may also have the opportunity to be involved (on an invitation basis) with the MDSC Executive Board Meetings as a 'Board Observer'.

The MDSC Councillors are an important part of the MDSC and with Lactalis-Mainland Dairy Australia's constant two-way communication with its entire supplier base in Australia.

## MDSC Councillor - Position Description

### Title and reporting relationships

**Position title:** MDSC Councillor

### Role purpose

**To drive the best outcomes for our farmers and Lactalis-Mainland Dairy through open and honest communication**

- To actively contribute to ensure we deliver value to Suppliers, MDSC and Lactalis-Mainland Dairy
- To represent the views of the region and all relevant contributors (see structure diagram) to MDSC.
- To provide a critical communication channel from suppliers to MDSC & Lactalis-Mainland Dairy
- To develop and foster the MDSC's relationship with Lactalis-Mainland Dairy and other suppliers.
- To represent MDSC at both MDSC / Lactalis-Mainland Dairy and industry functions and events
- To build understanding of the commercial environment beyond the farm gate and align with the needs of sustainable farming businesses.
- To proactively have regular contact with and communication to, the MDSC Executive in your region
- To assist other MDSC members in your region to address any regional issues at the local level.
- To develop Councillors personal and professional skills, and to expand their networks of other farmers in their region, and other dairy industry representatives.

### Role accountabilities

To undertake regular and open communications with suppliers – meetings, phone calls, emails

To keep suppliers apprised of MDSC and Lactalis-Mainland Dairy activities and policies as advised and be informed on matters of Lactalis-Mainland Dairy policy and be able to communicate to the broader industry.

To establish and maintain a positive working relationship with the local Farm Source teams, and an expanded network of farmers in your region.

To participate in MDSC committees and/or project teams as and when required

To prepare for, attend and actively participate in MDSC meetings, and respond to emails in a timely manner.

To be acutely aware of your confidentiality requirements, behavioural expectations / code and the MDSC media / social media policy

To be a contributor of regional communication to the MDSC executive throughout the year.

### Key Action Requirements

**Supplier Connection** – Maintain and grow a strong network of connection with local suppliers and provide feedback to the MDSC Executive and Lactalis-Mainland Dairy on opportunities and challenges with the supply base. We expect all councillors to grow their farmer networks as part of their role.

**Farm Source Team Connection** – develop and maintain a strong relationship with the regional FS team.

**Regional Meetings** – Attend regional meetings as appropriate, engaging with fellow farmers.

**Field Days** – Attend regional field days and supplier meetings to liaise and network with suppliers.

**Working Groups** – Participate in working groups as requested / required.

**Communications** – Contribute to MDSC / Lactalis-Mainland Dairy communications such as the regional round up, articles, case studies, photos, photo shoots to increase MDSC profile and connection.

**Assistance** - Assist MDSC regional Executive with any additional regional co-ordination requirements

## Key role capabilities

Partner of Lactalis-Mainland Dairy as an owner, share-farmer or employee on a Lactalis-Mainland Dairy supplying farm.

Excellent business understanding with an ability to learn.

- Understands the farm business, the dairy industry and the Lactalis-Mainland Dairy operating environment.
- Focuses on and expresses key business issues affecting the suppliers.
- Understand the reasons behind key policies, practices and procedures

Communication and interpersonal skills

- Has strong relationship building skills and develops and can grow appropriate networks including with those in the industry and other suppliers
- Is approachable, listens to people, shows leadership and is willing to be a sounding board
- Can manage conflict and resolve it appropriately
- Communicates complex issues and relevant points of view in a clear and concise manner
- Is willing to grow and learn new skills and capabilities,
- Appropriately adapts their own style to a situation
- Promptly addresses queries and requests for feedback from MDSC company Secretary / Executive

Representation

- Is honest and ethical, widely trusted, and seen as a person of integrity who will make sure that farmers' views are represented.
- Understands the role and boundaries of the MDSC and adheres to MDSC protocols and procedures.
- Acknowledges and faces tough challenges and will take an unpopular stand if necessary, to encourage direct and tough debate around key issues
- Evaluates information, recognises gaps and identifies issues and opportunities.

Teamwork

- Promotes the values and role of MDSC within industry and the suppliers
- Get things done and focuses on areas of priority
- Is willing to debate issues and appropriately provide feedback on behalf of suppliers
- Confidentiality

Growth

- Is willing to develop new skills and capabilities, particularly in representation or leadership roles
- Is willing to proactively expand their network of regional suppliers & industry representatives

## Key relationships

Other Suppliers	Other MDSC Councillors
Regional Farm Source team	Industry organisations
Regional MDSC Executive members	Rural professionals

# CONDUCT & PROTOCOL

## Councillor Group Code of Conduct:

The MDSC team operates with a clear set of core values and underlying responsibilities that provide a framework for the responsibilities of Councillors.

## Responsibilities:

- Accurately represent views of a wide range of suppliers (not just their own)
- Sincerity, honesty and integrity in your approach to your role
- Teamwork and constructive and professional in attitude
- Availability and accessibility to other suppliers and other MDSC members
- Identifying and building MDSC delegate succession planning

## Behaviour Code:

- Treat fellow Councillors, Management, staff and suppliers as you would like to be treated.
- This applies during the meeting situation and/or discussions.
  - One person speaks at a time - others listen
  - Don't talk for too long
  - Everyone has equal opportunity to speak
  - Indicate when you wish to speak
  - Respect other people's opinions
  - No personal attacks
- Represent the view of your suppliers, not solely your own,
- Act with honesty, integrity, decency and responsibility at all times; and
- Not engage in or permit any conduct that is likely to bring discredit upon or damage the reputation of MDSC.

## Confidentiality:

From time to time, MDSC or Lactalis-Mainland Dairy disclose certain Confidential Information to MDSC in order to enable the Councillors to evaluate and assess the Confidential Information for the purpose of improving, developing, and enhancing the supply arrangements between the parties.

In the course of any discussions, or dealings between the parties, Councillors may be exposed to, provided with, or have access to commercially sensitive or Confidential Information of Lactalis-Mainland Dairy.

In order to acknowledge the Commercial in Confidence Information, Councillors are required to sign a Confidentiality Agreement with Acknowledgement with Lactalis-Mainland Dairy Australia. A copy of the agreement is available, and all appointed Councillors will be required to sign this document.

MDSC take their confidentiality and behavioural obligations very seriously.

Any breach of confidentiality or actions outside the behavioural code have the potential to significantly impact the overall effectiveness of MDSC.

If a Councillor is not fulfilling their responsibilities appropriately, the MDSC Chair will discuss the matter with the Councillor. If the breach is deemed significant, the Councillor may be stood down immediately.

## TIME COMMITMENT

Meetings will be scheduled by the MDSC Chair and MDSC Company Secretary, towards the start of each year. A calendar of events will be developed at the same time and distributed to all Councillors, which will include planned events, meetings and Field Days, where a presence of Councillors provides supportive actions for the aims of MDSC as a representative group.

Councillors will be required to attend at least two meetings in their regions during the calendar year, along with retaining awareness for non-core activities to promote recruitment of milk supply, as required. It is the requirement of each Councillor to attend all relevant MDSC meetings in person during their term.

Inactive Councillors failing to adhere to the requirements above will be contacted by their Regional MDSC Exec or the MDSC Chairperson and, if no reasonable cause for inactivity is found, asked to stand down.

<b>Annualised recurring Councillor activities</b> <i>(approximate)</i>	<b>No. Of Days</b>
<b>EXPECTED COMMITTED DAYS</b>	
2 x Major MDSC Meetings (Melb in Nov 2 days, Region in March 2-3 days))	5
2 x Regional MDSC meetings annually (to be attended in person)	1
Attendance to Supplier meetings / Christmas parties / Field Days / stalls etc	2
Join monthly MDSC MS Teams meetings (30 mins each)	1
Presence at local/ regional/ industry group meetings, e.g., Discussions Groups, RDPs	1
Miscellaneous activities e.g. assisting with MDSC programs or other working group activities	1
<b>Total</b>	<b>11</b>

## PERFORMANCE EXPECTATIONS

Each member of MDSC will be asked on an annual basis to commit to a formal engagement plan – which will be based around the key goals of MDSC for the period. This is a one-page document that identifies the key goals for MDSC for the period, and the minimum expectations. This document is designed to clarify MDSC's expectations and is the same for all councillors.

It is the role of the regional Exec to work with their regional Councillors to ensure everyone is comfortable and understand their roles and why these expectations are documented. Any underperformance when referenced to the MDSC goals and performance plans will be discussed with the regional Executive member. If there is ongoing non-compliance, that councillor will be asked to stand down.

## FORMAL DEVELOPMENT OPPORTUNITIES

As a key role of MDSC is to develop its people, opportunities exist for Councillors to formally develop their people, leadership and other skills. Councillors will be offered the opportunity to identify development opportunities. Where appropriate these development opportunities will be funded by MDSC.

Examples include the Regional Development programs, Australian Institute of Company Directors courses, plus local self-development courses in areas such as public speaking or chairing a meeting.

Completing courses like these is not compulsory, however ongoing growth and self-development is promoted and actively encouraged.

## REGIONAL MEETINGS

Dates for the regional Councillor meetings will be determined by each region's MDSC Executive in consultation with the Regional Manager of Farm Source. Other attendees may be invited, such as management personnel or industry representatives.

The main emphasis will be on supplier matters with information provided and discussed regarding company supply issues and opportunities.

Delegates are encouraged to table agenda items for inclusion in regional meetings via their Regional Manager or the Regional MDSC Executive. There will be at least two of these meetings annually.

## NOMINATIONS, ELECTIONS & VACANCIES

### Nomination and appointment of Councillors:

Councillors must exclusively be a supplier of milk to Lactalis-Mainland Dairy Australia. This includes share farmers, family members, or active farm managers endorsed by the farm owners.

### Nominations, applications & selection criteria:

Appointment is for a two-year term and are eligible to serve a maximum of two consecutive terms.

Interviews will be conducted by a panel consisting of the Regional MDSC Executive, the local Regional Manager / or an appropriately skilled external person, at the discretion of the MDSC Executive.

Selection criteria to be used include:

- Ability to capture and represent views of a range of other Lactalis-Mainland Dairy suppliers (ie your network of other farmers is important)
- A team player, as well as leadership capabilities and future potential
- Qualifications and relevant experience, formal and informal
- Industry involvement and understanding, community involvement
- Fundamental knowledge of farm profitability
- Ability to focus on the future

### Resignation of Councillors:

In the event of an appointed Councillor deciding to resign midterm, notification to the MDSC Company Secretary will be required in writing, in order to complete proper termination of the agreement held with the Councillor. Following this, the vacancy will be advertised, nominations called for and the appointment process put in train.

An exit interview will be conducted with each councillor (ideally in the weeks before they finish their role), with a key area of focus to be on any areas where MDSC can improve.

### Performance:

In the event that a Councillor has been identified as not meeting the performance expectations of the role, this will be discussed with them by the Regional Director, and key areas for improvement identified. If future performance does not improve, the Councillor will be asked to stand down from their role

## MDSC COUNCILLOR INDUCTION PROCESS

New Councillors will undertake an induction program with their regional director that provides them with an overview of the underpinning knowledge required to carry out the role, including (but not limited to):

- MDSC structure and key administration procedures
- MDSC expectations on councillors and key goals
- Lactalis-Mainland Dairy Australia business and strategy & Regional milk supply and processing

Councillors will also be expected to attend at least one of the major MDSC programs as a host – either ‘Get To Know Lactalis-Mainland Dairy’ and / or ‘Proud to be a Dairy Farmer’ within the first 18m of their role.

## REMUNERATION

Delegates receive an annual retainer of \$8,000 per year (plus GST) – \$2,000 per quarter, paid in arrears.

This covers time spent at meetings, travelling and attending events as required. It also covers all car travel undertaken to attend meetings and events. Recipient Created Tax Invoices (GST Inclusive) are prepared on behalf of Councillors.

## OTHER MDSC POLICIES

MDSC has a number of policies and procedures on key processes. These policies are designed to set minimum expectations and to give the Executive guidance on how to approach a number of key topics as they may arise from time to time.

Examples of policies include Media Communications, Formal Training requests, Director Terms, Councillor Exits, Sponsorships, Performance Management, Expense approvals.

If MDSC members would like to review a policy on a particular topic, please contact the Company Secretary.

## MEDIA (INCL SOCIAL MEDIA) COMMUNICATIONS POLICY

MDSC Councillors are not permitted to speak directly to the media (or post on social media) on Lactalis-Mainland Dairy or MDSC issues unless this is approved by the MDSC Chair in advance. It is very easy for things to be said or communicated to Media outlets or on-line (even with the best of intentions) that can damage the reputation of Lactalis-Mainland Dairy or MDSC.

For the purposes of this document;

**Media includes** anyone either known or reasonably suspected to be from the Media, or any person reasonably expected as having the potential to pass on your commentary to a person from the Media.

**Media includes** all traditional forms of media – print, radio, television, as well as all new forms of media – including bloggers, and also all other forms of electronic communication, such as, but not limited to Facebook, Twitter or Instagram.

**Public Commentary** includes a discussion with any person or group of persons, whether formal or informal, planned or impromptu.

### **Commentary principles - Media**

Only the Chair is permitted to talk to the media on **any** matters concerning MDSC or Lactalis-Mainland Dairy.

The Chair may give permission for MDSC members to talk to the media, in the following circumstances;

- It is not practical for the Chair to do so, and
- The Chair agrees in writing (e.g. via email), and
- The Chair has been briefed on the proposed topics, and pre-prepared answers reviewed, and
- The Councillor will not disclose any confidential information.

In all other circumstances the Councillors must not talk to any Media, and they are to direct the Media to the Chair for comment if MDSC specific (or to the Lactalis-Mainland Dairy Communications team as appropriate for Lactalis-Mainland Dairy specific questions / content, or to the MDSC Chair).

Councillors must also not post or comment on social media on **any** matters directly concerning MDSC or Lactalis-Mainland Dairy, that may damage the reputation of MDSC or Lactalis-Mainland Dairy. All social media posting should be done with consideration to those reading your posts, and them attributing any commentary to MDSC or Lactalis-Mainland Dairy.

### **Commentary principles – All other commentary**

Councillors may talk to those that are not defined as part of the 'Media' as defined here – e.g. farmers, the general public etc.

As part of any conversations, Councillors must immediately cease the conversation if a reasonable person may assume that their comments may be relayed to any Media.

Even if there is no likelihood of the media being involved, the Councillors must still understand and apply their agreed duties on confidential information.

**Should someone from the media contact you by email or telephone, or arrive at your home or place of work, please follow these simple steps:**

1. Ask for their name, the media organisation they represent and what their visit/call is regarding.
2. If they press you for information, respond with the following: "I'm not in a position to answer your enquiry but I will put you in contact with our MDSC Chair who will be able to help you. Let me make a quick call and I'll arrange someone to call you back as soon as possible."
3. Immediately contact the Chair. The Chair will either ask for the person's phone details and will call them directly or will provide you with instructions of what to do next.

Most importantly, don't feel pressured or obligated in any way to comment. The Chair is equipped to respond to all sorts of media enquiries.

The MDSC Chair may speak to the media (on MDSC specific topics), but only after consultation with the Corporate Communications team and the Director of FarmSource.

If a Councillor is not fulfilling his/her responsibilities appropriately, the Chair will discuss the matter with the Councillor. If there is no improvement, there will be further discussion with the Chair and a warning may be given. Ultimately the Councillor may be asked to stand down.