

STRATEGY, INNOVATION & DEVELOPMENT COMMITTEE CHARTER

1. PRIMARY OBJECTIVE

The Strategy, Innovation and Development Committee (**the Committee**) is a committee of the Board of Port of Townsville Limited (**the Port**).

The primary objective of the Committee is to assist the Board in fulfilling its corporate governance and oversight responsibilities by providing reviewing and providing advice in respect to the Port's strategy, innovation and development frameworks.

The Committee does not replace or replicate established management responsibilities and delegations or the responsibilities of other executive management groups within the Port.

2. DUTIES AND RESPONSIBILITIES

Specific duties and responsibilities of the Committee include:

- reviewing and making recommendations to the Board in relation to the Port's strategic planning and sustainability frameworks including Port Vision 2050 and the Port's Corporate Plan and Statement of Corporate Intent and ensuring compliance with relevant legislation and government policies;
- monitoring and evaluating the effectiveness of strategic initiatives for trade and business growth and ensuring these are aligned with the Port's strategic objectives;
- monitoring and evaluating plans for future port planning and development including the Port Master Plan, Port Development Plan, Land Use Plan and Planning Codes and Guidelines to ensure the Port's long-term infrastructure requirements are able to be sustainably developed;
- providing oversight of major port-led infrastructure projects and waterfront developments and advising the Board on the effectiveness in meeting the Port's strategic objectives and delivery of projects (governance, program and budget);
- reviewing and advising the Board on the appropriateness of proposed major developments proposed to be undertaken on Port owned lands having regard to statutory planning legislation and policies and the Port's Land Use Plan and planning codes and guidelines; and
- monitoring and evaluating the effectiveness of the Port's innovation framework, policies, initiatives, practices and targets to ensure alignment with strategic objectives.

The Committee will liaise as necessary with the Audit and Risk Committee in relation to sustainability risks, compliance and reporting.

In the discharge of its responsibilities the Committee must provide prompt and constructive advice to the Chief Executive Officer on matters pertaining to the major infrastructure projects and report its actions to the Board of Directors, particularly where issues are identified that could present a material risk or threat to the Port.

The Port's Board of Directors, senior management and employees will assist the Committee in the discharge of its duties and responsibilities by providing access to the Port's documents, records and physical property as may be required to undertake its role. The Committee is free to review and appraise policies, plans, procedures, records and methods of operation and to seek information from employees appropriate to fulfilling Committee duties and responsibilities.

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3. RELATIONSHIP WITH LINE MANAGEMENT

The role of the Committee with respect to line management will focus on whether the actions proposed to address matters arising from the delivery of major infrastructure projects are satisfactory and cost effective and will enhance the effectiveness and efficiency with which those major infrastructure projects are delivered.

4. COMMITTEE MEMBERSHIP

The Chairperson of the Board will appoint at least three (3) Directors to serve as members of the Committee. The Chairperson of the Board may vary appointments to the Committee at any time and as he/she sees fit. The Chairperson of the Board may approve, from time to time, the appointment to the Committee of up to two (2) members external to the Port who possess specialist skills, knowledge and experience in delivery of major infrastructure projects.

When considering membership appointments, the Chairperson of the Board will consider rotation of members to facilitate the input of new ideas, while retaining some degree of continuity via a core of experience. Collectively, the Committee shall possess:

- a thorough understanding of the core activities of the Port and the environment in which it operates;
- a commitment to delivery of major infrastructure projects in a timely, efficient and cost effective manner;
- strong business acumen and management skills;
- a high level of understanding of best practice and experience in delivery of major infrastructure projects, alliance contracting, internal control, risk management and corporate governance;
- a sound knowledge of information systems and emerging technology;
- an inquiring attitude, objectivity and independence; and
- a strong, demonstrated sense of probity and ethical conduct.

Committee Chairperson

The Chairperson must be a Board Director. If the Chairperson is not present or is unwilling to act, the Committee must appoint a Committee member who is also a Board Director to chair the meeting.

Committee Secretary

The Company Secretary (or nominee) is the Secretary of the Committee. The Secretary will be responsible for the preparation and circulation of the meeting agenda and accurately minuting all decisions of the Committee in consultation with the Committee Chairperson. The Secretary will also be responsible for the timely tabling of all correspondence, reports and other information relevant to the Committee's activities and operations.

5. ETHICAL PRACTICES

Members of the Committee will, at all times in the discharge of their duties and responsibilities, exercise honesty, objectivity and probity and not engage knowingly in acts or activities that have the potential to bring discredit to the Port.

Members also must refrain from entering into any activity that may prejudice their ability to carry out their duties and responsibilities objectively and must at all times act in a proper and prudent manner in the use of information acquired in the course of their duties. Members must not use information obtained through their position on the Committee for any personal gain for themselves or their immediate families or in any manner that would be contrary to law or detrimental to the welfare and goodwill of the Port.

Further, members must not publicly comment on matters relative to activities of the Committee other than as authorised by the Board of Directors.

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6. COMMITTEE MEETINGS

Meetings shall be conducted on a formal basis and be effectively minuted by the Secretary as to proceedings and decisions. A meeting agenda must be prepared and distributed to all members of the Committee at least five (5) working days prior to a meeting, unless otherwise approved by the Committee. Draft minutes of meetings must be prepared and provided to the Committee chairperson for prior approval as soon as possible after the conclusion of the meeting. Once approval has been received, the minutes of the meeting must be promptly distributed to Committee members and must be confirmed as an accurate record of the meeting at the next subsequent meeting of the Committee.

In the setting of the Committee agenda there will be an emphasis on the most significant risks and threats to delivery of major infrastructure projects and the Port, and the ongoing evaluation of what is being done to mitigate such risks.

Meetings of the Committee should be held at least three (3) times each year. Meetings may be held via teleconference or videoconference, if required. In addition, the Committee chairperson may call such additional meetings as may be necessary to address any urgent matters referred to the Committee by the Chief Executive Officer or in respect of matters that the Committee wishes to pursue.

A quorum for a Committee meeting is half the number of members appointed (including the ex officio members) provided that at least one of the members present is a Director of the Board, and if that number is not a whole number, the next highest whole number.

Only those members appointed by the Board of Directors may vote on matters before the Committee. As far as practicable, decisions of the Committee shall be regarded as its collective decision or advice. However, where there is material dissension to a decision, a minority view may be placed before the Board of Directors.

Other Attendees at Committee Meetings

The Chief Executive Officer is to attend all meetings. General Managers shall have a standing invitation to attend all Committee meetings. The Committee chairperson may request any employee to attend a meeting and such person(s) must attend.

The Committee may determine from time to time, that it is appropriate to conduct meetings privately with Senior Management, including the Chief Executive Officer. The reasons for such meetings will be forwarded to the relevant executives with the invitation to attend the meeting. The Committee may at its absolute discretion, decide to exclude some or all non-committee members from such a meeting.

7. ACCESS TO INFORMATION

The Committee shall have the freedom to conduct or authorise investigations into any matter within its objectives or as requested by the Board of Directors. The Committee shall be entitled to have access to all relevant information held by the Port. It is also authorised to discuss with any employee any matter that is the subject of an investigation.

The Committee shall be empowered to retain independent legal advice, advisers or other professionals to assist in its investigations / deliberations, with the costs borne by the Port.

8. COMMITTEE REPORTING

The minutes of all Committee meetings and a report detailing the Committee's actions and recommendations must be tabled at the Board meeting following each Committee meeting.

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The Committee Chairperson shall:

- report the actions and recommendations of the Committee to the Board of Directors at the Board meeting following each Committee meeting;
- regularly update the Board of Directors about Committee activities and actions and make appropriate recommendations;
- ensure the Board of Directors is made aware of any matters which may impact on the Port or its Directors as soon as practicable; and
- submit a summary of the role and achievements of the Committee for inclusion in the Annual Report of the Port together with a statement that the Committee has observed the terms of its charter.

9. COMMITTEE REVIEW

The Committee Chairperson shall annually assess the performance of the Committee and take appropriate action in respect of areas where there is a perceived need for enhancement of its role, operational processes or membership.

A key outcome of the evaluation process should be for the Committee to set a series of goals to guide their activity over the coming year, as well as a review and update of the Committee Charter.

10. CO-OPERATION WITH COMMITTEE

Each employee must provide full, frank and meaningful advice on any issue raised by the Committee within a reasonable time of receiving such a request and shall co-operate fully with the activities of the Committee in all other respects. The annual report of the Committee will include a statement as to the extent of co-operation provided to the Committee during the year.

11. ANNUAL CALENDAR

MEETING DATE	MATTERS FOR CONSIDERATION
All Meetings	<ul style="list-style-type: none"> • Quarterly Performance Report • Trade and Business Growth Updates • Customer Engagement Updates, Complaints • Status Reports for Major Port Projects (e.g. Port Expansion Project, Channel Upgrade, Berth 4 Upgrade, Waterfront Developments) • Assessments for major development proposals on Port lands • Innovation / R&D Proposals
Annually or as Required	<ul style="list-style-type: none"> • Port Vision 2050, Corporate Plan and Statement of Corporate Intent • Port Master Plan, Port Development Plan, Land Use Plan and Planning Codes & Guidelines • Customer Survey Results and Action Plan • SmartPort Strategy and Innovation Framework • Committee Charter and Performance Review

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