

## 1. OVERVIEW

Port of Townsville Limited (the Port) is a Government Owned Corporation (GOC) pursuant to the provisions of the *Government Owned Corporations Act 1993* (GOC Act). The Port is incorporated as a public company registered under and subject to the *Corporations Act 2001* (Cth). The Port has two shareholders, the GOC Minister and a portfolio Minister, who are Ministers of the Queensland Government and who hold shares on behalf of the State of Queensland.

This Board Charter sets out the role, responsibilities and authority of the Board, the Chair, individual Directors, the Chief Executive Officer and the Company Secretary within the Port's governance framework.

## 2. ROLE OF THE BOARD

The Board is responsible to its shareholding Ministers for the governance of the Port and to protect and create shareholder value. Pursuant to the GOC Act, the Board's role includes the following matters:

- responsibility for the Port's commercial policy and management;
- ensuring that, as far as possible, the Port achieves, and acts in accordance with, its Statement of Corporate Intent (SCI) and carries out the objectives outlined in its SCI;
- accounting to the Port's shareholding Ministers for its performance as required by the GOC Act and other laws applying to the Port; and
- ensuring that the Port otherwise performs its functions in a proper, effective and efficient way.

## 3. RESPONSIBILITIES OF THE BOARD


The specific duties and responsibilities of the Board include:

### STRATEGY

- In line with the expectations of the Port's shareholding Ministers, oversee, review and approve the Port's strategic direction and business plans including the Corporate Plan (CP) and SCI.

### PERFORMANCE

- Overseeing control and accountability processes and systems by monitoring performance against the Port's approved strategic plans, SCI, CP and budgets.
- Monitoring and analysis of both financial and non-financial performance indicators to evaluate progress against the SCI and CP.
- Monitoring the progress of strategic initiatives, major capital expenditure programs, projects, capital management, acquisitions and divestments.

	Info Classification	Official	Doc Type	POL - Policy	Document No.	POT-2393
	Documents are considered uncontrolled once removed from their source location. Refer to the CDMS published library for the current version.				Revision	1
					Publish Date	21/08/2023
					Page	1 of 7

## GOVERNANCE AND COMPLIANCE

- Ensuring that the Port has appropriate legal, governance and compliance systems, processes and controls in place in accordance within all applicable laws, regulations, codes and policies.
- Overseeing the review and update of corporate governance documents as necessary to support the Port's commitment to best practice governance.
- Overseeing the work of the Board Committees including the terms of applicable charters and attending to matters referred to it by the Committees.
- Setting the tone at the top and influencing the Port's culture, values, leadership, reputation and ethical standards and satisfying itself that the desired culture is being lived in practice.

## RISK MANAGEMENT

- Monitoring the adequacy of the Enterprise Risk Management Framework used to manage the Port's risks, as implemented by management, including the identification, assessment, mitigation and control of these risks.
- Determining the appropriate level of risk appetite within which the Board expects management to operate and ensuring that risk taking is aligned with the Port's strategic plans and direction.

## OVERSIGHT OF FINANCIAL MANAGEMENT

- Approval of the Port's budget and any material changes to the budget.
- Overseeing the Port's financial position, monitoring performance against budget and other financial performance indicators.
- Approving annual and half-yearly financial accounts and reports, including the Director's Report (incorporating the Remuneration Report).
- Overseeing any significant changes in accounting policies.
- Determining recommended dividend to be paid to shareholding Ministers, consistent with expectations of shareholders Ministers, and declaring dividends payable to shareholding Ministers.

## AUDITORS


- Approving the appointment and removal of external auditors.

## SENIOR EXECUTIVE APPOINTMENTS, PERFORMANCE AND REMUNERATION

- Appointing the CEO (with prior written approval of shareholding Ministers) and senior executives.
- Assessing performance, remuneration and succession plans of senior executives.
- Whenever required, challenging management and holding it to account.

## STAKEHOLDER MANAGEMENT

- Represent the interests of various stakeholders, including the government, employees, customers and the public.
- Foster effective relationships with these stakeholders, ensuring their concerns and interests are considered in the decision-making processes.
- Reporting to shareholding Ministers in accordance with the requirements of the GOC Act and Corporations Act.

	Info Classification	Official	Doc Type	POL - Policy	Document No.	POT-2393
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					Publish Date	21/08/2023
					Page	2 of 7

## CULTURE

- Approving the Port's vision, mission and values to clearly express the standards and behaviour expected of the Port's employees.
- Approving and monitoring the Port's employment, work health and safety and environmental policies and practices and ensuring compliance with applicable laws.
- Promoting ethical and responsible decision-making;
- Considering the social, ethical and environmental impacts of the Port's activities and overseeing the Port's sustainability policies and practices.

Specific powers and authorities of the Board are located in the Delegations Policy and Delegations Schedule.

## 4. ROLE AND RESPONSIBILITIES OF THE CHAIRPERSON

The role of the Chairperson of the Board is to provide leadership, lead and direct the activities of the Board and ensure the Board operates effectively.

The Chairperson is the official spokesperson for the Board, unless the Board determines otherwise.

The specific duties and responsibilities of the Chairperson include:

### LEADERSHIP AND STRATEGIC GUIDANCE


- Provide leadership to the Board and set the tone for its activities.
- Facilitate the strategic planning process, ensuring the Port's goals align with government policies and shareholding Minister and stakeholder expectations.
- Collaboration and engagement with the CEO to ensure alignment of corporate objectives and provide support and guidance in the execution of the CEO's responsibilities.

### BOARD ORGANISATION

- Setting the Board agenda and chairing Board meetings.
- Ensuring that the Board reaches clear conclusions at Board meetings and that these decisions are properly recorded in the Minutes.
- Managing the efficient organisation and conduct of Board functions.
- Ensuring all Directors are briefed on material matters arising at or between Board meetings.
- Collaboration with the Company Secretary to develop meeting agendas that address key issues and provide sufficient time for discussion.

### STAKEHOLDER MANAGEMENT

- Promoting constructive relations between the Board members and between the Board and management.
- Maintaining liaison with shareholding Ministers and reporting their views back to the Board.
- Representing the Port externally on matters related to governance, strategic issues, and stakeholder relationships and engage with government officials, industry leaders, and other external parties to advocate for the Port's interests and promote its mission.
- Representing the Port as otherwise required from time to time.

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					Publish Date	21/08/2023
					Page	3 of 7

## BOARD EVALUATION AND PERFORMANCE

- Monitor the performance of individual Directors, the Board and its Committees and facilitate formal evaluations at regular periods.
- Monitoring the composition of the Board and its Committees to ensure appropriate allocation of diversity, skills and experience.

Specific powers of the Chairperson are located in the Delegations Policy and Delegations Schedule.

## 5. ROLE AND RESPONSIBILITIES OF THE CEO

The Board has delegated to the CEO the authority to manage the Port's day-to-day affairs and all matters other than those responsibilities reserved by the Board to itself, including in this Charter and the Delegations Policy.

The CEO leads the Port's Executive Leadership Team and is accountable to the Board for the Port's overall management and performance. The CEO manages the Port in accordance with the strategic plans, business plans and policies approved by the Board.

The specific duties and responsibilities of the CEO, with respect to the Board, include:

- Collaborate with the Board and management to develop and implement the Port's strategic plans, SCI and CP, and make recommendations to the Board for the strategic direction of the Port.
- Reporting to the Board on financial and non-financial performance indicators to monitor progress against the SCI, CP and other strategic plans.
- Communicating and supporting the effective implementation of Board policies, priorities and strategic plans to all workers.
- Presenting organisational reports, submissions and budgets to the Board.

Specific powers of the CEO are located in the Delegations Policy and Delegations Schedule.

## 6. ROLE AND RESPONSIBILITIES OF THE COMPANY SECRETARY


The role of the Company Secretary is to ensure compliance with the Port's legal and regulatory obligations, facilitate effective corporate governance, and provide support to the Board and CEO.

The Company Secretary serves as a key link between the Port, the Board, and various stakeholders.

The specific responsibilities of the Company Secretary include:

## GOVERNANCE AND COMPLIANCE

- Ensuring compliance with the Port's obligations under the Corporations Act regarding registered office, statutory registers, annual returns and notices to be lodged with the Australian Securities and Investment Commission.
- Ensuring compliance with the Port's governing documents such as the Constitution, all other relevant laws, regulations, and governance guidelines, standards and practices.
- Development and implementation of governance policies, frameworks and supporting documents to address the Port's legal and regulatory obligations.

	Info Classification	Official	Doc Type	POL - Policy	Document No.	POT-2393
	Documents are considered uncontrolled once removed from their source location. Refer to the CDMS published library for the current version.				Revision	1
					Publish Date	21/08/2023
					Page	4 of 7

- Provide guidance and advice to the Board, the CEO, and other stakeholders on matters related to corporate governance.

## **BOARD SUPPORT AND ADMINISTRATION**

- Organising Board meetings and Director attendance.
- Coordinating the completion and distribution of the Board agenda and briefing materials.
- Preparing Minutes of meetings and resolutions of the Board.
- Maintain and update corporate records of the Port and ensure they are accurate, accessible, and securely stored.
- Collaboration with the Chairperson in relation to monitoring and management of performance evaluation and professional development of Directors.
- Preparation and distribution of all communications, notices and reports to shareholding Ministers.

## **7. BOARD MEMBERSHIP**

### **7.1 APPOINTMENT**

The Port's Board is to consist of the number of Directors that are appointed by the Governor in Council. All Directors are independent non-executive directors.

When appointing a person as Director, the Governor in Council has regard to the person's ability to make a contribution to the Port's commercial performance and implementation of the SCI. The Chairperson may make recommendations to shareholding Ministers on Board composition to ensure appropriate diversity, professional and industry-based skills and experience are held collectively by the Board.

### **7.2 TERM OF OFFICE**

Directors hold their office on the terms of appointment determined by the Governor in Council, including the period of appointment and remuneration.

### **7.3 INDUCTION**

The Board Charter and Board Handbook will be provided to appointed Directors as part of a general induction facilitated by the Company Secretary.


Upon appointment as Director, the Chairperson and CEO will provide a comprehensive briefing on current issues of the Port.

### **7.4 PROFESSIONAL DEVELOPMENT**

The Board collectively and Directors individually are required to maintain, update and enhance their skills, knowledge and experience through relevant professional development activities. The Port will support Board-related professional development and relevant training.

## **8. BOARD MEETINGS**

The *Board Meeting Procedures* document outlines the frequency, conduct and processes that apply to all Board meetings.

	Info Classification	Official	Doc Type	POL - Policy	Document No.	POT-2393
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					Publish Date	21/08/2023
					Page	5 of 7

## 9. BOARD COMMITTEES

To assist the Board in fulfilling its functions as effectively and efficiently as possible, the Board establishes Board committees to provide it with advice and recommendations.

The Board has established three committees:

- Audit and Risk Committee;
- Strategy, Innovation and Development Committee; and
- Sustainability Committee.

Each committee shall have its own Board approved charter setting out its roles and responsibilities, composition, structure and the manner in which the committee is to operate.

Committee minutes are included in the papers for the following Board meeting and the Director chairing the committee shall report to the Board on matters addressed by the respective committee.

## 10. PERFORMANCE EVALUATION

The Board will conduct an annual performance review to ensure improvement opportunities are identified in a timely manner. The performance review and evaluation should take into consideration the Board's processes and the efficiency and effectiveness with which it carries them out. The Board may seek an independent review as required.


## 11. REVIEW OF THE CHARTER

This Charter is approved and issued by the Board of Directors.

The Board shall review the adequacy of this Charter annually, or earlier as required by the Company Secretary.

## 12. COMPLIANCE AND RELATED LEGISLATION

Legislation	
<i>Corporations Act 2001</i> (Cth) and Regulations	
<i>Government Owned Corporations Act 1993</i> (Qld) and Regulations	
Guidelines	
ASX Corporate Governance Council, Corporate Governance Principles and Recommendations	
Queensland Treasury, Corporate Governance Policy	
Queensland Treasury, Guide for Board Appointments to Government Owned Corporations, Queensland Rail and Seqwater	


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					Publish Date	21/08/2023
					Page	6 of 7

## 13. RELATED DOCUMENTS

Document Number	Document Title
	Constitution of Port of Townsville Limited
POT-1071	Board Meeting Procedures

## 14. DOCUMENT INFORMATION

Title of Document	Board Charter
Document Number	POT-2393 Rev 1
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Document Approver	Board
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	Info Classification	Official	Doc Type	POL - Policy	Document No.	POT-2393
	Documents are considered uncontrolled once removed from their source location. Refer to the CDMS published library for the current version.				Revision	1
					Publish Date	21/08/2023
					Page	7 of 7