



# Board Charter

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Qube Holdings Limited

ACN 149 723 053

## 1. Overview

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### 1.1 Qube purpose and values

- (a) The Board of Directors (**Board**) of Qube Holdings Limited (**Qube**) is responsible for defining Qube's purpose and values.
- (b) The Board has approved a publicly available Statement of Values that articulates Qube's purpose and guiding principles, the aim of which is to underpin and reinforce a culture across the organisation of acting lawfully, ethically and responsibly.

### 1.2 General Responsibilities

- (a) The Board is primarily responsible for ensuring that Qube has an appropriate corporate governance structure aimed at creating and protecting shareholder value.
- (b) The Board is also responsible for ensuring that management recognises Qube's legal and other obligations to all legitimate stakeholders. "Stakeholders" are groups that are likely to feel a social, environmental, economic or financial impact from Qube's actions. They include shareholders, customers, suppliers, employees, government regulators and members of the communities where Qube operates who are affected by Qube's activities.
- (c) Qube's obligations to its stakeholders require that appropriate accountability and control systems are in place.
- (d) This Board Charter explains Qube's commitment to corporate governance. It is not an "all inclusive" document and should be read as a broad expression of principles. The Board will review this Charter on an annual basis.

### 1.3 Corporate Governance

Qube endorses the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, as amended and applicable (**ASX Principles**).

## 2. Qube Constitution

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The Qube Constitution is Qube's key governance document. The Board ensures that it and Qube comply with the provisions of the Constitution.

## 3. Compliance with Laws

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### 3.1 Specific Laws

As a public company listed on the Australian Securities Exchange (**ASX**), Qube must comply with the *Corporations Act 2001* (Cth) and the ASX Listing Rules as well as all other applicable laws. Examples of applicable areas of regulation include:

- (a) work, health and safety;
- (b) employment;
- (c) environmental protection;

- (d) anti-discrimination;
- (e) competition and consumer protection;
- (f) anti-bribery, corruption and whistleblowing;
- (g) privacy; and
- (h) taxation.

### **3.2 General**

As a group operating in numerous Australian and international jurisdictions, Qube must ensure that it is aware of and complies with all applicable laws in those jurisdictions.

## **4. Composition of the Qube Board**

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### **4.1 Board**

The Board is to comprise:

- (a) the Managing Director; and
- (b) at least 2 other Directors.

### **4.2 Chair**

The Chair of the Board is to be an Australian citizen.

## **5. Responsibilities and Duties**

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### **5.1 Specific Responsibilities**

The Qube Board is responsible for setting:

- (a) the strategic direction of Qube and monitoring the implementation of that strategy by Qube management; and
- (b) Qube's values and overseeing management's inculcation of those values across the organisation.

Specifically, the Board's responsibilities include:

- (c) the Board satisfying itself that appropriate frameworks are in place for relevant information to be reported by management to the Board;
- (d) oversight of the Qube Group, including its control and accountability systems and, whenever required, challenging management and holding it to account;
- (e) oversight of, monitoring and evaluating key safety, health, environmental, social and governance issues across the Group business;
- (f) appointing and removing the Managing Director;
- (g) appointing and removing the Company Secretary;

- (h) Board and executive management development and succession planning;
- (i) input into and final approval of corporate strategy;
- (j) input into and final approval of the annual operating budget (including the capital management budget);
- (k) approving and monitoring the progress of major capital expenditure, capital management and acquisitions/divestitures;
- (l) monitoring compliance with all relevant legal, tax and regulatory obligations;
- (m) reviewing and monitoring systems of risk management (for both financial and non-financial risk) and internal compliance and controls, codes of conduct, continuous disclosure, legal compliance and other significant corporate policies;
- (n) at least annually, reviewing the effectiveness of Qube's implementation of its risk management system and internal control framework;
- (o) monitoring executive management's performance and implementation of strategy and policies, including assessing whether appropriate resources are available;
- (p) approving and monitoring financial and other reporting to the market, shareholders, employees and other stakeholders; and
- (q) appointment, reappointment or replacement of the external auditor.

## **5.2 Performance**

In discharging their duties, each Director must:

- (a) exercise care and diligence;
- (b) act in good faith in the best interests of Qube;
- (c) not improperly use his/her position or misuse information of Qube; and
- (d) commit the time necessary to discharge effectively his/her role as a Director.

## **5.3 Meetings**

- (a) All Directors (including executive Directors) are entitled to be heard at all meetings and should bring an independent judgement to bear in decision-making.
- (b) Non-executive Directors should confer regularly without management present.

## **5.4 Written Resolutions**

Written resolutions:

- (a) are to be sent to all Directors;
- (b) are not to be implemented if any Director who is not excluded from voting on the resolution advises that he or she has any reservations about the proposed

resolution (in which case the matter is to be considered at the next Board meeting); and

- (c) are not to be implemented until all of the Directors who are not excluded from voting on the resolution consent to the resolution.

## **5.5 Review**

At least once each year, the Directors will:

- (a) review this Charter and approve any required amendments including those required to comply with the ASX Principles; and
- (b) review the performance of the Board and its Committees during the previous 12 months.

## **6. Committees**

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### **6.1 Established Committees**

To assist the Board in fulfilling its duties and responsibilities, it has established three Committees:

- (a) Audit and Risk Management Committee;
- (b) Nomination and Remuneration Committee; and
- (c) Safety, Health and Sustainability (SHS) Committee.

### **6.2 Charters**

Each Committee has a formal Charter and has been granted certain delegations.

### **6.3 Reporting**

Each Committee has an obligation to report on its meetings to the Board and minutes of all Committee meetings are made available to all Directors.

### **6.4 Audit and Risk Management Committee**

The Audit and Risk Management Committee assists the Board in regard to financial reporting, audit and risk management, including:

- (a) compliance with legal and regulatory obligations;
- (b) the integrity of the Qube Group's financial reporting;
- (c) oversight of the independence of the external and internal auditors; and
- (d) the effectiveness of the Qube Group's enterprise-wide risk management and internal control framework,

and provides strategic risk management leadership, oversight and analysis to the Qube Board.

## **6.5 Nomination and Remuneration Committee**

The Nomination and Remuneration Committee assists the Board in regard to:

- (a) remuneration matters including:
  - (i) the Board satisfying itself that Qube's remuneration policies align with the Qube's purpose, values, strategic objectives and risk appetite as set by the Board;
  - (ii) the remuneration framework for Non-executive Directors;
  - (iii) the remuneration and incentive framework, including any proposed equity incentive awards, for the Managing Director, any other executive Directors and senior executives;
  - (iv) recommendations and decisions (as relevant) on remuneration and incentive awards for the Managing Director and other senior executives;
  - (v) strategic human resources policies;
- (b) nomination matters including:
  - (i) Board succession planning;
  - (ii) Board appointments (including executive Directors), re-elections and performance;
  - (iii) Directors' induction programs and continuing development;
  - (iv) Committee membership;
  - (v) Key management personnel appointments and performance;
  - (vi) endorsement of senior executive appointments; and
  - (vii) diversity obligations.

## **6.6 Safety, Health and Sustainability Committee**

The Safety, Health and Sustainability Committee assists the Board in fulfilling its strategy, policy, monitoring and corporate governance responsibilities in regard to safety, health, environmental, social, governance and operational matters including:

- (a) compliance with related legal and regulatory obligations; and
- (b) enterprise-wide risk management.

## **7. The Chair**

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### **7.1 Prohibitions**

The Chair:

- (a) is not to exercise the role of Managing Director of Qube; and

- (b) is not to have previously held the position of Managing Director of Qube.

## 7.2 Responsibilities

The Chair is responsible for:

- (a) leadership of the Board;
- (b) overseeing the Board in the effective discharge of its supervisory role;
- (c) the efficient organisation and conduct of the Board's function and meetings including approving Board agendas and ensuring that information is presented in a form, and adequate time is available, for discussion of all agenda items including strategic issues;
- (d) facilitating the effective contribution of all Directors;
- (e) briefing of all Directors in relation to issues arising at meetings;
- (f) the promotion of constructive and respectful relations between Board members and between the Board and management;
- (g) committing the time necessary to discharge effectively his/her role as Chair;
- (h) scheduling regular and effective evaluations of the performance of the Board its Committees and Directors; and
- (i) setting performance-based measures, determining outcomes and approving awards for the Managing Director under Qube's short-term incentive plan.

## 8. Directors

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### 8.1 Independence

- (a) Independent Directors are those who have the ability to exercise their duties unfettered by any business or other relationship and are willing to express their opinions at the Board table free of concern about their position or the position of any third party. The Qube Board does not believe it is possible to draft a list of criteria which are appropriate to characterise, in all circumstances, whether a Non-executive Director is independent. It is the approach and attitude of each Non-executive Director which is critical and this must be considered in relation to each Director while taking into account all other relevant factors, which may include whether the Non-executive Director:
  - (i) is a substantial shareholder of Qube or an officer of, or otherwise associated directly with, a substantial shareholder of Qube;
  - (ii) within the last three years has been employed in an executive capacity by any member of Qube, its subsidiaries or associates (**Qube Group**), or been a director after ceasing to hold any such employment;
  - (iii) within the last three years has been a partner or a senior management executive with audit responsibilities of a firm which has acted in the capacity of statutory auditor of any member of the Qube Group;
  - (iv) within the last three years has been a principal of a material professional adviser or a material professional consultant to any

member of the Qube Group, or an employee materially associated with the service provided – for this purpose a material professional adviser/consultant is an adviser whose billings to the Qube Group exceed 5% of the total revenues of the adviser/consultant;

- (v) is a material supplier to, or material customer of, any member of the Qube Group, or an officer of or otherwise associated directly or indirectly with a material supplier or customer – for this purpose a material supplier to the Qube Group means a supplier whose revenues from the Qube Group exceed 5% of the supplier's total revenues and a material customer is a customer whose payments to the Qube Group exceed 5% of the customer's operating costs;
  - (vi) has a material contractual relationship with any member of the Qube Group other than as a director; and
  - (vii) has any interest or business or other relationship which could materially interfere with the Director's ability to act in the best interests of Qube and independently of management.
- (b) Family ties and cross-directorships may also be relevant in considering interests and relationships which may compromise independence and should be disclosed by Directors to the Board.
  - (c) The above guidelines must be applied with common sense. Directors are best able to determine if they have an interest or relationship which is likely to impact on their independence. As such, each Director is expected to advise the Chair immediately if the Director believes he or she may no longer be independent. Should the Chair or any other Director have any concern about the independence of a Director, he or she must immediately raise the issue with that Director and, if the issue is not resolved, with the Board.
  - (d) Should the Chair have any concern about his or her own independence, he or she must immediately raise the issue with the Deputy Chair of the Board (**Deputy Chair**).
  - (e) In accordance with law and applicable Qube policy, each Director (other than the Chair) must immediately disclose to the Chair (with a copy to the Company Secretary) all information relevant for determining whether the Director is independent, including details of entities in which the Director has a material direct or indirect shareholding (or other interest), is an executive officer or is a director.
  - (f) The Chair must immediately disclose to the Deputy Chair (with a copy to the Company Secretary) all information relevant for determining whether the Chair is independent, including details of entities in which the Chair has a material direct or indirect shareholding (or other interest), is an executive officer or is a director.
  - (g) In the preparation of the agenda for each Board meeting, the Chair and Company Secretary need to be sensitive to disclosed interests and consider whether it is appropriate to withhold part or all of an agenda item (including any relevant papers) from any Director because of a potential or actual conflict. If the Chair decides to withhold part or all of an agenda item from a Director, the Chair must advise the Director at the time of dispatch of the relevant Board paper.



- (h) Directors are to inform the Chair or, in the case of the Chair, the Deputy Chair, prior to accepting any new appointment to any entity's board.

## **8.2 Access to Information, Independent Advice and Continuing Development**

- (a) Management must provide the Board and Committees with information in a form, timeframe and quality that enables them to effectively discharge their responsibilities and duties. Directors are entitled to request and receive copies of Committee papers.
- (b) Directors are entitled to request and receive such reasonable additional information as they consider necessary to support informed decision-making. If a Director wishes to seek information from an employee of the Qube Group, the Director must first submit a request to the Managing Director or the Company Secretary who will then facilitate suitable arrangements for obtaining the requested information. Any Director may, with prior approval of the Chair, take such independent legal, financial or other advice as he or she consider necessary at Qube's cost.
- (c) The Board should understand the Qube Group structure and operations and key developments affecting the Qube Group and may receive periodic presentations to assist in achieving such an understanding.

## **8.3 Appointment and Removal of Directors**

- (a) The Board should be of a size and composition that is conducive to making decisions expediently, with the benefit of a variety of perspectives and skills, and in the best interests of the Qube Group as a whole rather than of individual shareholders or other stakeholders.
- (b) The Nomination and Remuneration Committee is responsible for making recommendations to the Board relating to the appointment and retirement of Directors.
- (c) A new Director will receive a formal letter of appointment setting out the key terms and conditions relating to the appointment.

## **8.4 Officer Protection Deeds**

- (a) The Constitution requires each Director be indemnified to the fullest extent permitted by law.
- (b) Each Director is entitled to enter into with Qube an Officer Protection Deed which shall include provisions relating to:
  - (i) access to Board papers;
  - (ii) indemnity by Qube; and
  - (iii) the maintenance of directors' and officers' insurance.

## **8.5 The Managing Director**

- (a) The Managing Director is responsible for the day-to-day management of the Qube Group with all powers, discretions and delegations authorised, from time to time, by the Board.

- (b) The Managing Director is to have a formal executive services agreement describing his/her term of office, duties, rights and responsibilities and entitlements on termination.
- (c) At each meeting where the Board approves the half-year and full-year financial statements, the Managing Director must provide the Board with a written declaration (together with an equivalent declaration from Qube's Chief Financial Officer) which includes a declaration whether, in the Managing Director's opinion:
  - (i) the financial records of Qube and the entities who are consolidated for financial reporting purposes (**Reporting Entity**) for the relevant reporting period have been properly maintained in accordance with section 286 of the Corporations Act;
  - (ii) the Reporting Entity's financial statements and the notes referred to in sections 295(3)(b) or 303(3) of the Corporations Act for the relevant reporting period comply with the accounting standards;
  - (iii) the financial statements and notes for the reporting period give a true and fair view of the financial position and performance of the Reporting Entity;
  - (iv) the declaration set out in paragraph 8.5(c)(iii) is founded on a sound system of risk management and internal control which, in all material respects, implements the policies adopted by the Board; and
  - (v) Qube's risk management and internal control system is operating effectively in all material respects.

## **9. Qube Policy Framework**

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### **9.1 Policy Framework**

The Board oversees the Qube policy framework, including approving key Qube policies. The Qube policy framework includes Qube's Statement of Values, Code of Conduct and Ethics and other significant policies recommended by the ASX Principles and summarised below.

### **9.2 Statement of Values**

Qube's Statement of Values sets out the guiding principles that underpin Qube's culture. They comprise the set of beliefs and behaviours in accordance with which Qube must conduct its business, to be both a good corporate citizen and enable the realisation of Qube's purpose and vision as described in the Statement of Values.

### **9.3 Code of Conduct and Ethics**

- (a) The Code of Conduct and Ethics is to be observed by all Directors, employees, consultants and any other person when they represent the Qube Group.
- (b) The Code of Conduct and Ethics deals with compliance in the following areas of conduct:
  - (i) acting in Qube's best interests;

- (ii) honesty and integrity;
- (iii) treatment of others;
- (iv) conflicts of interest;
- (v) privacy and confidentiality; and
- (vi) improper payments, benefits or gains.

#### **9.4 Whistleblower Policy**

- (a) The Whistleblower Policy applies to any current or former:
  - (i) officer or employee;
  - (ii) contractor or supplier and their employees;
  - (iii) consultant, adviser or agent; or
  - (iv) internee or secondee,of Qube and any of their relatives or dependants (Eligible Persons).
- (b) The Whistleblower Policy sets out:
  - (i) the protections available to whistleblowers;
  - (ii) who can receive protected disclosures and how they can be made;
  - (iii) third parties to whom a whistleblower may make protected disclosures;
  - (iv) how Qube will support and protect whistleblowers;
  - (v) how Qube will investigate protected disclosures; and
  - (vi) how Qube company will ensure fair treatment of persons who are mentioned in protected disclosures, or to whom such disclosures relate.

#### **9.5 Anti-Bribery & Anti-Corruption (ABAC) Policy**

- (a) The ABAC Policy applies to:
  - (i) Qube-controlled entities and their officers and employees; and
  - (ii) Qube contractors including agents, distributors, business representatives and advisers acting for or on behalf of a Qube entity.
- (b) The ABAC Policy:
  - (i) sets out management's responsibilities in relation to implementation and oversight of, and reporting and approvals under, the policy;
  - (ii) explains conduct that is prohibited and provides guidance on giving and receiving gifts, entertainment, and donations;

- (iii) sets out Qube's requirements and expectations in relation to engagement with Qube contractors and third parties, including customers, suppliers, distributors and joint venture partners; and
- (iv) links to the Whistleblower Policy for complaint-reporting purposes.

## **9.6 Securities Dealing Policy**

- (a) Qube has established a Securities Dealing Policy in accordance with the requirements of the ASX Listing Rules. The policy applies to all Qube Directors, relevant employees, consultants and other parties who have been notified that the policy applies to them.
- (b) The policy sets out the prohibition on insider trading, the procedures for seeking clearance to trade Qube securities and the periods and circumstances in which trading is and is not permitted.

## **9.7 Investor Relations Program**

- (a) Qube has established an Investor Relations Program which is a policy designed to promote effective communication with shareholders and encourage effective participation at general meetings.
- (b) Shareholders are encouraged to contact the Qube's Share Registry to arrange the direct receipt of shareholder materials.
- (c) As part of an effective shareholder communications strategy, Qube will:
  - (i) maintain and keep current the corporate governance information on its website; and
  - (ii) make available via its website announcements it lodges with the ASX and materials presented at significant investor briefings.
- (d) As part of Qube's continuous disclosure obligations, Qube must provide commentary on its financial results to enhance the clarity and balance of the report. This commentary should include information needed by a sophisticated investor to make an informed assessment of Qube's activities and results.
- (e) Qube issues annually a Corporate Governance Statement containing the content required by the ASX Principles (as well an explanation of any departures from the ASX Principles) for the relevant reporting period.
- (f) Qube generally adopts the ASX Principles for Notices of Meetings.

## **9.8 Continuous Disclosure Policy**

- (a) Qube has established a Continuous Disclosure Policy, which is designed to ensure that Qube complies with its continuous disclosure obligations that arise under the ASX Listing Rules.
- (b) As part of this policy, senior executives in Qube are required to immediately advise the Managing Director or the Company Secretary of material information that may need to be disclosed, and the Managing Director, in consultation as required with the Board, will make a decision concerning disclosure of the information and the terms of the disclosure.

## **9.9 Risk Management Policy**

- (a) Qube has established a Risk Management Policy which summarises Qube's risk management framework. Under the risk management framework Qube has in place:
  - (i) a Board-approved Risk Appetite Statement; and
  - (ii) risk management procedures and internal controls relating to major risks.
- (b) As part of the risk management framework outlined in this policy, each of the operating business units controlled by Qube is required to have its own risk management committee which is responsible for identifying, assessing and managing material risks relevant to the business unit.
- (c) Each risk management committee is responsible for regularly reporting to Qube's Managing Director, and to Qube's Audit and Risk Management Committee and SHS Committee twice per year (or more frequently at the request of Qube's Audit and Risk Management Committee or SHS Committee).

## **9.10 Diversity Policy**

- (a) Qube has established a Diversity Policy, which is designed to promote the creation of an environment throughout Qube in which equity and diversity are recognised as being essential to the high performance of the Qube Group and incorporated into the Qube Group's day-to-day business.
- (b) Key principles of this policy include:
  - (i) taking steps, including the setting of measurable objectives, to attract and retain well qualified employees, senior management and Board members from a deep talent pool;
  - (ii) eliminating artificial, unfair and inappropriate barriers to workplace and Board participation and facilitating equal employment opportunities based on merit, performance and potential;
  - (iii) taking action against inappropriate workplace behaviours including discrimination and harassment;
  - (iv) providing the opportunity for workplace flexibility when meeting business requirements; and
  - (v) creating an inclusive workplace culture, recognising that people are different and valuing those differences.

## **9.11 Safety, Health and Sustainability Policy**

- (a) Qube's Safety Health and Sustainability Policy demonstrates Qube's commitment to providing a safe and healthy workplace and conducting business in a way that helps protect the environment and the communities in which Qube operates.

- (b) The policy has two main limbs:
  - (i) *Zero Harm* – a principle reflecting Qube's belief in a workplace where risks are managed and work does not impact on the health and well-being of Qube's employees, contractors, visitors and the communities in which Qube operates. The policy sets out the ways in which Qube acts to demonstrate its commitment to this principle.
  - (ii) *Sustainability* – Qube is focused on continuously reviewing environmental, social and economic factors as part of a whole-of-organisation approach to risk management to ensure value is generated in a way that minimises Qube's impacts on the environment and helps to ensure Qube's long-term future.

## **10. External Auditor**

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The external auditor must attend the Annual General Meeting of Qube and must be available to answer questions about:

- (a) the conduct of the audit;
- (b) the preparations and content of the auditor's report;
- (c) the accounting policies adopted by Qube in relation to the preparation of the financial statements; and
- (d) the independence of the external auditor in relation to the conduct of the audit.