

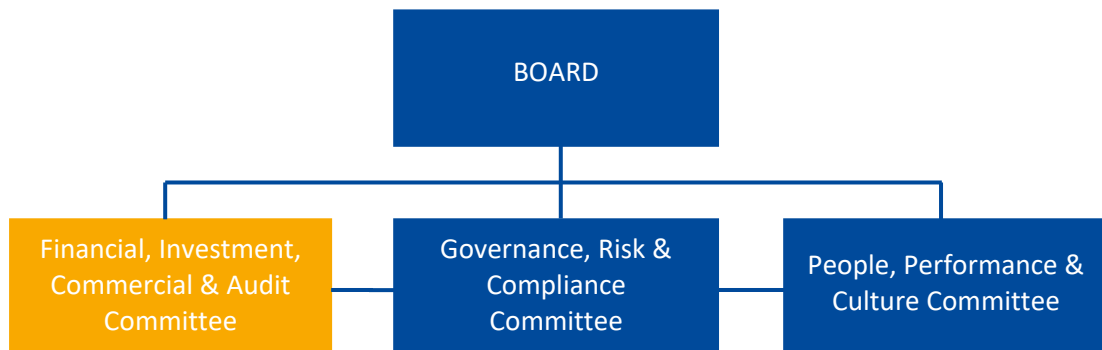


Gladstone Ports Corporation

Growth, Prosperity, Community.

Gladstone Ports Corporation Limited

Finance, Investment, Commercial and Audit Committee Charter



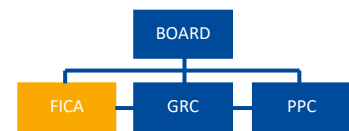
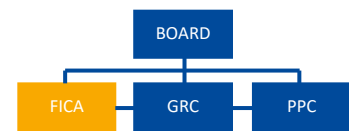


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1.0 Objective

The Finance, Investment, Commercial and Audit Committee ('The Committee') was established to assist the Board in fulfilling its responsibilities in relation to its financial, internal control, commercial and investment position.

1.1 Authority and independence

The Committee is directly responsible to the Board. The Committee does not replace or replicate established management responsibilities and delegations, the responsibilities of other executive management groups within GPC, or the reporting lines and responsibilities of either internal audit or external audit functions. The Committee is only authorised to make recommendations to the Board and does not have power to make decisions in its own right.

The Committee shall have the power to conduct or authorise investigations into any matter within its scope or as requested by the Board.

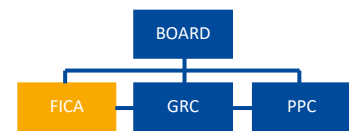
The Committee shall be entitled to unrestricted access to management, employees, records and other information it considers relevant to its function.

The Committee shall be empowered to retain independent advice, advisors or other professionals to assist in discharging its responsibilities. GPC will pay the reasonable costs incurred by the Committee in doing so, as well as all administrative costs incurred in carrying out its duties.

2.0 Terms of Reference

The Committee's role is to assist the Board in discharging its responsibility to exercise due care, diligence and skill in relation to the following areas:

- Commercial policy frameworks, and management;
- Long term financial planning, modelling, budgets and forecasts;
- Financial reporting processes implemented by management and review of the interim and annual financial statements prior to release;
- Management and statutory accounts for adoption by the Board;
- Significant accounting and reporting risks, including professional and regulatory pronouncements, and impact on financial reports;
- Internal and external audit oversight;
- Investment policies and proposals (community, property management, infrastructure);
- Financial investment opportunities;
- Procurement annual plans, policies, strategies, governance and performance;
- Expenditure requests outside of the Board-approved annual budget;
- Business improvement initiatives;
- Integrity of assets and operations.



In performing this role, the Committee’s responsibilities include, but are not limited to, the matters listed below:

2.1 Internal accounting controls and procedures

The Committee will:

- Discuss with management and auditors GPC’s internal accounting controls, procedures and records that are concerned with the management of risks to GPC and the reliability of financial records, to determine that these groups are satisfied with the appropriateness of policies and effectiveness of such controls;
- Within the scope of the above, review the adequacy and effectiveness of the internal control structure and systems, including information technology security and control to ensure compliance with various regulatory requirements and GPC’s responsibilities and policies and procedures;
- Review, through the internal and external audit functions, whether relevant policies and procedures are in place and up-to-date, including those for the management and exercise of delegations, and whether they are complied with;
- Discuss with management and the auditors, recent and prospective pronouncements, developments on accounting regulatory matters and any legislative changes and review the potential impact of such pronouncements, developments and changes on GPC’s financial statements and accounting policies;
- Review the risk management framework for accounting risks, including fraud.

2.2 External auditors

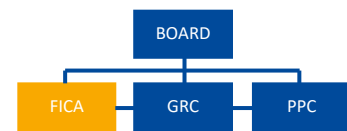
The Committee will:

- Discuss with the external auditors the scope and general extent of their proposed audit strategy, annual audit plan and audit fees for the year;
- Review the external auditor’s findings and recommendations, including interim audit reports and management’s responses and action to correct any noted deficiencies. Advise the Board of any issues of concern and the extent to which audit recommendations have been or are to be implemented;
- Review any other matters relevant to the audit of GPC’s accounts deemed necessary to ensure compliance with the applicable laws, regulations, standards and policies, including resolution of disagreements between management and the auditor regarding financial reporting;
- Ensure that there is no material overlap between the internal and external audit functions.

2.3 Internal audits

The Committee will:

- Review internal audit arrangements, scope of work and requirements for the internal auditors to effectively carry out their audit functions;
- Review internal audit’s charter, qualifications and resourcing;
- Evaluate the process for establishing the annual internal audit plan and ensure that the plan provides adequate assurance regarding the controls for the key risks to GPC;
- Review the annual audit plan with management, internal and external auditors, recognising the need to balance financial and operational auditing;
- Monitor results of the internal audit programme;
- Review the internal auditor’s findings and recommendations and management’s responses and action to correct any noted deficiencies.



- Advise the Board of any issues of concern and the extent to which audit recommendations have been or are to be implemented;
- Assure that the internal and external auditors' co-ordinate financial auditing plans, to provide appropriate audit coverage of key business controls and financial statement risk areas and eliminate duplication of effort;
- Identify and communicate FICA expectations to the internal audit function and management. Periodically measure the auditors' performance against these expectations;
- Be directly responsible for making recommendations to the Board on the appointment, reappointment or replacement, and remuneration of the internal auditors.

2.4 Compliance

The Committee will:

- Monitor compliance activities within GPC, and ensure that such activities are being undertaken to address legislative requirements, government and GPC policy requirements, as they relate to finance, investment and commercial activities of GPC;
- Review the findings of any examination by regulatory agencies, and any auditor observation;
- Oversee corrective actions taken subsequent to any breaches of compliance requirements which may occur.

2.5 Investment

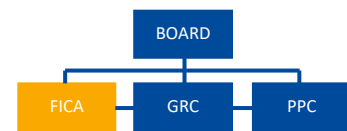
The Committee will:

- Oversee the development of GPC's investment strategy, objectives and decision making;
- Review and recommend to the Board suitable investment proposals;
- Oversee the investment related risks to ensure that exposure to these risks remains within GPC's risk appetite;
- Review and monitor investment matters and performance in relation to GPC's assets and services.

2.6 Commercial

The Committee will:

- Provide strategic advice to the Board on financial management initiatives to ensure long term financial sustainability;
- Ensure the effective management of GPC's financial and commercial risks;
- Oversee and monitor effective and efficient control over use of GPC's financial resources;
- Oversee the management of GPC's contractual arrangements, and instruments to ensure alignment to the Statement of Corporate Intent and Corporate Plan;
- Review and monitor current contractual arrangements where a land/sea interaction exists;
- Review the effectiveness of the system for monitoring GPC's and relevant customer compliance with legislative requirements;
- Oversee and monitor the risk profile of GPC's commercial activities;
- Evaluate and recommend mitigation strategies to the board for all high-risk commercial activities.



2.7 Performance management

The Committee will:

- Review GPC’s compliance primarily with the performance reporting requirements of the Financial Accountability Act 2009, the Financial Performance Management Standard 2009 and the Annual Report Guidelines for Queensland GOCs;
- Review whether performance management systems in place reflect GPC’s mission, goals and operational objectives;
- Ensure there is proper explanation for any unusual transactions or trends or variations from budget;
- Review all representation letters signed by management to ensure that the information provided is complete and appropriate.

2.8 Reporting

The Committee will:

- Provide quarterly updates to the Board outlining relevant matters that have been considered by it as well as the Committee’s opinions, decisions and recommendations;
- Prepare an annual report to the Board summarising the performance and achievements for the previous year where required. Prepare an interim program of the planned activities for the coming year;
- Acknowledge and report on the role of the Committee in GPC’s Annual Report.

3.0 Membership

3.1 Composition

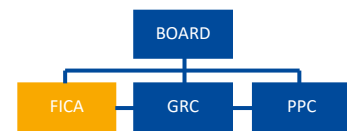
- The Board appoints the members and Chairperson of the Committee. The Chairperson will not be the Chair of the Board.
- The membership of the Committee will be reviewed annually by the Board and should comprise of at least three (3) non-executive members of the Board.
- All FICA members will be financially literate, or become financially literate within a reasonable period of time after appointment.
- At least (1) member will have accounting and/or related financial management expertise as determined by the Board.
- At least one (1) member will have expertise in the industry in which GPC operates.

3.2 Roles and Responsibilities

3.2.1 Committee Chairperson

The Chairperson’s responsibilities will include:

- Leadership of the Committee, ensuring its effectiveness on all aspects of its role and setting its agenda;
- Presiding over Committee meetings, facilitating the flow of information and discussion and directing Committee discussions to effectively use the time available to address the critical issues facing GPC;
- Ensuring Committee Minutes properly reflect meeting discussions and outcomes;
- Ensuring reporting responsibilities as set out herein are met.



3.2.3 Officer assisting the Committee

The Chief Governance Officer is the officer assigned by the Board to assist the Committee in governance and administrative matters and is generally responsible for carrying out the administrative requirements of the Committee. In particular:

- Ensuring that the Committee agenda is developed in a timely and effective manner for review and approval;
- Ensuring that the Committee papers are developed in a timely and effective manner;
- Coordinating, organising and attending Committee meetings and ensuring that correct procedures are followed;
- Drafting and maintaining Minutes of the Committee meetings;
- Carrying out the instructions of the Committee.

3.3 Continuing Education

Committee members are encouraged to participate in professional development and keep up to date on relevant topical issues. Committee members may, at GPC's expense, undertake professional development courses that relate to the role and function of the Committee member.

4.0 Confidentiality

All proceedings of the Committee, including papers submitted and presentations made to the Committee, shall be kept confidential and will not be disclosed or released to any person other than either Committee members or members of the Board, except as required by law or as agreed by the Committee or Board of Directors.

5.0 Meetings

5.1 Proceedings

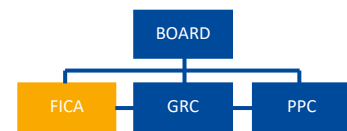
- The Chairperson shall convene meetings at such times as may be necessary. In any event, the Committee shall meet at least four (4) occasions each year and/or otherwise as required.
- Meetings and proceedings of the Committee are governed by the same provisions regulating meetings and proceedings of the Board.
- Meetings of the Committee shall be convened by the Chief Governance Officer at the request of any of its members or at the request of the Board or Chief Executive Officer if considered necessary.

5.2 Quorum

- The presence of half of the members of the Committee (rounded upwards if not a whole number) will constitute a quorum.
- In circumstances where one (1) of the Directors is not available, then an alternate Director (who must be a current Director of the Board), as nominated by the Chairperson, may attend.
- In the absence of the Committee Chairperson, the members will elect one (1) of the present members as Chairperson of the meeting.

5.3 Conflicts of Interest

- Committee members will be required to disclose conflicts of interest at the commencement of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged.



- Where members or invitees are deemed to have a real or perceived conflict of interest, they will be excused from Committee discussions on the issue where a conflict exists.

5.4 Voting

- Any matters requiring a decision, will generally be decided on consensus, or if consensus is not achievable, then by a majority of votes of Committee members present.

5.5 Attendance

- The Chief Executive Officer, the Commercial General Manager, Chief Governance Officer and Internal/External Auditor shall have standing invitations to attend all Committee meetings.
- Managers and other employees of GPC, and external consultants engaged on relevant tasks, may be invited to attend all or part of any meeting as and when deemed appropriate and necessary by the Board or the Committee.
- Other Board members may attend meetings of the Committee in an unofficial capacity, with a standing invitation to attend each Committee meeting, subject to exclusion as deemed appropriate by the Chairperson from time to time.

5.6 Agenda Items

- The agenda for a Committee meeting is determined by its Chairperson in conjunction with the Chief Executive Officer, the Commercial General Manager and the Corporate Governance Officer.
- The agenda and committee papers are to be delivered to the Committee members at least five (5) business days in advance of each meeting. Late papers may be accepted with the approval of the Committee Chairperson.
- All Directors will have access to Committee papers.

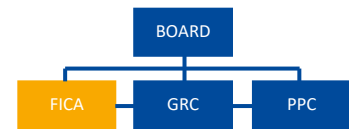
5.7 Minutes

- Minutes are to be prepared for each Committee meeting by the Chief Governance Officer.
- The draft Minutes for each Committee are to be reviewed by the Chairperson and circulated to all Committee members as soon as practicable, but no later than one (1) week after the meeting.
- Minutes of the meeting are to be ratified at the next meeting of the Committee.
- Following review by the Chairperson, a copy of the Minutes of the Committee is to be included in the papers of the next Committee meeting.
- The Committee meeting Minutes can be circulated to invited guests as deemed appropriate by the Chairperson.

6.0 Committee Performance

To ensure the Committee is fulfilling its duties to GPC and its shareholding Ministers, the Committee will:

- Undertake an assessment (on biennial basis aligned with the Board performance review) of its performance against the requirements of the Charter and provide that information to the Board;
- Provide any information the Board may request to facilitate its review of the Committee's performance and its members;
- Obtain feedback from the Board on the Committee's performance and implement any agreed actions.



7.0 Review of Committee Charter

The Committee will review the Charter every two (2) years to align with the Board Charter review, and to ensure it remains consistent with the Committee’s authority, objectives and responsibilities. All amendments to the Committee Charter will be discussed and approved by the Board.

8.0 Approval of the Charter

The GPC Committee Charter is endorsed by the Chairperson of the Committee and approved by the Board on the 28 day of February 2019.

 Marita Corbett
 Committee Chairperson

 Peter Corones
 Chairperson

Version Control History		
Version	Date	Approved by
01 - Draft	28 November 2018	