

Building on Our Operating Experience to Diversify and Grow

Annual Report 2022/23



Growth, prosperity, community.

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ACKNOWLEDGEMENT

Gladstone Ports Corporation acknowledges Australia's Aboriginal and Torres Strait Islander communities and their rich cultures, and pays respect to Elders past, present and emerging. We acknowledge Aboriginal and Torres Strait Islander peoples as Australia's first peoples and as the Traditional Owners and custodians of the land and water on which we rely.

GPC acknowledges that we are on the original lands of the First Nation peoples Bailai, Gurang, Gooreng Gooreng, Taribelang Bunda, Darumbal, Kabi Kabi and Butchulla whose land that we all share, live, work and play on. GPC acknowledges and pay our respect to all Elders of past, who have made the many sacrifices, contributions and paved the way for us all to be here today. GPC acknowledges our present and emerging Leaders who will continue the fight for a better and united Australia for all our generations of *today*, *tomorrow* and in the *future*. GPC also extend this respect to other Aboriginal, Torres Strait Islander and Australian South Sea Islander Elders and peoples within our operating footprint.

We recognise and value the ongoing contribution of Aboriginal and Torres Strait Islander peoples and communities to Australian life and how this enriches us. We embrace the spirit of reconciliation to be brave and make change by working towards equality of outcomes through inclusive engagement.

ABOUT THIS REPORT

Gladstone Ports Corporation Limited (GPC) is a Government Owned Corporation under the *Government Owned Corporations Act 1993* (Qld) (GOC Act).

Our annual report summarises the operations, activities and performance of our four ports — Port of Gladstone, Port of Rockhampton, Port of Bundaberg and the non-trading Port of Maryborough — over the past year (2022/23) and our financial position as at 30 June 2023. This is communicated in a clear and transparent manner, while adhering to the legislative requirements of the *GOC Act 1993* and the *Financial Accountability Act 2009* (Qld).

Our annual report reflects our sustainability journey, while safeguarding prosperity for our community, customers and shareholders. Our strong performance is possible due to the continual innovation and commitment to performance demonstrated by the entire organisation, underpinned by strong environmental, social and governance (ESG) credentials. Our report is themed by our values of growth, prosperity and community.

We have adopted the Annual Report Requirements for Queensland Government agencies (2022/23 reporting period).

Our port profile

OUR VISION, MISSION AND VALUES

GPC's results and focus continues to be guided by our corporate vision, mission, values and code of conduct.

GPC'S 50 YEAR VISION

GPC has a 50 year vision for our other operating ports. As we continue to work towards further opening up the opportunities for the regions in which we operate, our 50 year vision will lay the road map for success.

The Port of Gladstone Master Plan and Overlay were finalised in 2020. (*Sustainable Ports Development Act 2015*). The Master Plan sets out a long-term strategic outlook for the Port of Gladstone and surrounding land and marine areas, covering around 73,000 hectares. It takes into account recommendations made in the *Independent Review of the Port of Gladstone* (2013) and considers Guideline: Master Planning for priority ports contained in Reef 2050 and the Reef 2050 policy guideline.

Our 50 Year Vision includes staged upgrades to our Port Central and Northern Trade Precincts in Port of Gladstone, to facilitate the growth in renewable energy and container trade. This includes the Gatcombe Golding and Targinie Channel developments which are expected to increase the current channel from 50km to approximately 70km's.

OUR PORT FOOTPRINT

GPC is the gateway for Australian trade, jobs and prosperity.

Our portfolio of assets stretches across key regional locations including Gladstone, Rockhampton and Bundaberg. Our four-port footprint allows us to facilitate trade for a wide range of customers, create jobs, and deliver prosperity for Queensland. In 2022/23, our strong workforce remain committed to safety to facilitate prosperity for the Central Queensland and Wide Bay-Burnett communities.

Port of Bundaberg

Located 184 kilometres (km) south of Gladstone and 377km north of Brisbane, the Port of Bundaberg covers 491 hectares (ha) of land, including seabed. The Port of Bundaberg comprises two wharves.

1. Sir Thomas Hiley Wharf — owned and operated by Sugar Terminals Ltd (STL), handles sugar, gypsum, wood pellets, bulk liquids, molasses and silica sand.
2. John T. Fisher Wharf — handles molasses cargos.

Port of Gladstone

Located 525km north of Brisbane, the Port of Gladstone covers 5,408ha of land including seabed and reserves. There are eight main wharf centres, comprising 20 berths.

1. RG Tanna Coal Terminal (RGTCT) — four berths GPC owned and operated.
2. Port Central Precinct -
 - a. Barney Point Terminal (BPT) — one berth GPC owned and operated.

- b. Auckland Point Terminal — four berths GPC owned and operated by others.
3. Northern Trade Precinct — four berths operated by multiple companies.
4. South Trees — two berths operated by Queensland Aluminium Limited (QAL).
5. Boyne Wharf — one berth owned by GPC and operated by Boyne Smelters Limited (BSL).
6. Curtis Island LNG Precinct — three berths, separately owned and operated by three Liquefied Natural Gas (LNG) companies: Australia Pacific LNG (APLNG), Queensland Curtis LNG (QCLNG), Gladstone LNG (GLNG).
7. Wiggins Island Coal Terminal — one berth operated by Wiggins Island Coal Export Terminal Pty Ltd (WICET).

Port of Rockhampton

Located 62km south-east of Rockhampton, 597km north of Brisbane, and within the Fitzroy River Delta, the Port of Rockhampton covers 18,780ha of land including a seabed and reserves. It comprises two wharf facilities.

1. Berths 1 and 2 — suitable for general cargo operations.
2. Berth 3 — dedicated to tallow, fuel and other cargoes.

Port of Maryborough

As a non-trading Port, GPC undertakes limited responsibilities associated with managing the PoM. On 1 March 2022, management of the Port of Maryborough (PoM) was transferred to GPC, bringing benefits through geographic proximity of GPC's existing ports and aligning the port and maritime responsibilities with Maritime Safety Queensland.

TWO YEAR PERFORMANCE SNAPSHOT

	Actual 2021/22	Actual 2022/23	Change 2021/22 to 2022/23	2022/23 Target	Variance actual to target
Tonnage throughput (Mt)	119.9	111.7	-6.84%	127.3	-12.25%
Lost Time Injury Frequency Rate (LTIFR)* <i>Employees only</i>	0.00	2.45	245%	0.00	245%
Total number of injuries <i>Employees only</i>	20	21	5%	18	15.39%
Reportable Incidents (including exceedances)**	2 (1 exceedance)	11 (1 exceedance)	450%	<10	110%
Total revenue (\$M)	527.8	562.8	6.63%	526.9	6.81%
Earnings Before Interest and Tax (EBIT) (\$M)	148	190.12	28.46%	154.8	22.82%
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) (\$M)	239.7	280.69	17.10%	250.38	12.11%
Net Profit After Tax (NPAT)	82.95	114.19	37.66%	90.29	26.47%
Total assets (\$M)	2,396	2,479	3.48%	2,515	-1.41%
Return on assets (%)	6.2	7.7	24.19%	6.2	24.19%
Capital investment (\$M)	87.86	76.19	-13.28%	124.83	-38.96%
Dividends (\$M)	0	117.6	117.6%	90.3	30.23%
Taxes paid to all (\$M)	53.8	58.9	9.48%	54.0	9.07%

Table 1: Two year performance 2021/22 - 2022/23

*LTIFR is calculated by # statistical work related injuries/ illnesses with loss time outcome during reporting period, divided by total man hours for reporting period, times by 1M

**Note that the increase in reportables is showing an increase due to a condition change in July 2022 for RGT and BPT requiring any breach of condition to be reported. Previously the conditions required only incidents that were suspected of causing environmental harm to trigger report.

Note: GPC collects LTIFR data from SAI360 software, an internal database which includes GPC's incident and injury reporting.

CORPORATE HOSPITALITY/ ENTERTAINMENT EVENTS (> \$5,000 each event)

Event	Date	Total Amount (\$)
Employee Service Awards	3 September 2022	7,177.78
Employee Service Awards	17 September 2022	5,725.13
Stakeholder Event (engagement of current customers, supply chain, leasees, government agencies)	23 February 2023	7,485.00

Statement of Corporate Intent

summary

GPC's Statement of Corporate Intent (SCI) is underpinned by strategic risks and opportunities that set our priorities and guide our responses. These key strategic priorities align GPC with relevant responses through a hierarchy of programs, projects and measures, underpinned by assurance and governance.

We have set a path towards a high-performance culture that will ensure growth, deliver prosperity, position us for the future and support the local communities we operate in.

The sustainable ports mind-set drives everything we do. Our strategy is anchored by strategic pillars of economic, environmental and social sustainability.

2022/23 MAJOR INITIATIVES

Business Protection and Performance

- Deliver and execute enterprise wide plan to implement and embed safety through the Safety Management Framework | ONGOING.
- Develop a rehabilitation strategy, tactical plans and investigate funding options | ONGOING.
- Transition to a higher performance business operating model | ONGOING.
- ERP Renewal - feasibility and planning | ONGOING.
- Embed a corporate Sustainability Strategy for inter-generational business prosperity, incorporate climate change and ESG plans as well as develop Infrastructure planning for the renewables economy, in line with the Queensland Government's Sustainability and ESG reporting requirements. | ONGOING.

Cargo Handling and Port Operations

- Undertake channel & reclamation optimisation strategy | ONGOING.

Social and Economic Future

- Enhancement of community facilities & foreshores access | ONGOING.
- Development and infrastructure planning, funding models and project plans for the renewables economy | ONGOING.
- Develop overarching Financial and Commercial Strategy to underpin GPC's growth plan | ONGOING.
- Extend Cargo Handling and Port Services Agreements | ONGOING.

Intergenerational Planning and Enabling

- GPC's precinct outlooks aligned to the 50 year Strategic Plan | ONGOING.
- Develop ESG reporting architecture and standard in alignment with the Queensland Government's guidelines | ONGOING.
- Sustainability and ESG reporting requirements, in consultation with SHM departments | ONGOING.

A message from the Chair and CEO

“We recognise our employees and valued customers, whose efforts have been pivotal to the success we have achieved this year. Our employees and contractors continue to exhibit GPC’s values in the work they do and the way they are a community or rather, a family that we are very proud to be a part of.”

By working closely with the State Government and our customers to further diversify and grow our opportunities, we are pleased to report on behalf of Gladstone Ports Corporation (GPC) that we facilitated trade of 112 Million tonnes and delivered a record dividend of \$117 million to the State’s economy.

Over the past 12 months, GPC has consulted broadly with external and internal stakeholders to form the foundation of our 2023-24 Statement of Corporate Intent (SCI) and Corporate Plan. The SCI and Corporate Plan are the key roadmap to GPC’s future success. In 2022 we completed a Materiality Review and identified eight strategic priorities that will underpin our ability to facilitate sustainable trade and development for all. The priorities include:

- Safety, health and wellbeing;
- Indigenous affairs;
- Responding to climate change;
- Governance, ethical and transparent behaviour;
- Organisation culture and employee engagement;
- Community engagement and investment;
- Facilitate, grow and diversify trade through partnerships;
- Sustainable management of our ports.

As GPC continues its Sustainability and Environmental Social and Governance (ESG) journey, focus remains on embedding the ESG Strategy into every aspect of the organisation in alignment with the Queensland Government’s Sustainability and ESG reporting requirements. In October 2022, the Board of Directors welcomed Melody Ingra, a proud Gooreng Gooreng and Wakka Wakka woman from Yallarm (Gladstone) with more than 25 years of practical experience across various industries, government sectors and non-governmental organisations (NGO’s). We also welcomed Paul Binsted to the team in December 2022. As the Chair of Stanwell Corporation Limited, Paul brings a wealth of experience in energy, renewables, sea ports, mining and rail sectors. During the financial year, GPC

also recruited an experienced and diverse Executive Leadership Team.

Collaboration between GPC and the State Government has remained essential to underpin a broad and far reaching focus on effective and sustainable growth for the region. GPC has purposefully augmented overarching governance, ensuring ethical and transparent behaviour is at a high standard, including a new Contracting and Expenditure Committee, Employee Development Committee, and a dedicated internal audit assurance and continuous improvement team. In addition to these areas, GPC undertook a fraud and corruption survey to implement further improvements whilst continuing to assist the Queensland Audit Office.

We have continued to address findings in an external independent report, in support of improving our safety, health and wellbeing performance. These are being lead and delivered by a diverse and dedicated team, including workforce representatives.

In addition, a comprehensive Mental Health Strategy was implemented with a five-year outlook to ensure we maintain a psychologically safe workplace for our employees.

We are proud to see GPC’s workforce now home to 5.5 percent of employees who self-identify as Aboriginal and Torres Strait Islander People or Australian South Sea Islander People. We continued to work alongside the First Nation peoples whose lands we all share, live, work and play on. GPC is an active and responsible community member. It was a pleasure to give our community groups a healthy boost through our community support, grants and donations and through our community and strategic partnerships. GPC supported approximately 21 initiatives through the Grants and Donations category across Gladstone, Rockhampton and Bundaberg. We were also the Major Sponsor for the second largest yacht race in Australia: The Brisbane to Gladstone Yacht Race, and successfully facilitated our annual Port to Park fun run that hosted

over 2,300 participants and contributed \$40,000 directly back to the community. During the financial year, GPC signed a second Memorandum of Understanding with CQUni. The partnership will enable new research programs into environmental sustainability and renewable energy, as well as the delivery of industry-informed hi-tech training and education courses that meet the future workforce needs of regional industry.

By leveraging our extensive operating experience across our three operational ports we are strengthening GPC's position as one of Australia's premier multi-commodity ports, contributing to Queensland's economy and demonstrating our role in building a sustainable and prosperous future for Queensland and the nation. RG Tanna Coal Terminal continued to operate efficiently and successfully delivered 60 percent of GPC's revenue thanks to the dedication and commitment of our employees.

The Queensland Energy and Jobs Plan (Sep 2022), identifies Gladstone as a critical location for future clean industrial growth and the renewable hydrogen industry. As part of the renewable transition, we are collaborating with key stakeholders and purposefully planning the Northern Trade Precinct as we assist in transforming Australia's energy landscape. GPC also welcomed support from our Shareholding Ministers, with \$100 million in the 2023 State Budget allocated for Northern Land Expansion Project (NLEP) (subject to approvals), building on the retention of last year's dividend of \$85 million to support investment in critical infrastructure and growth initiatives.

GPC's vision includes phased investments in our Gladstone Port Central and Northern Trade Precincts to facilitate the growth in renewable energy and container trade. GPC is leveraging our existing operating experience to establish competitive operations for these future opportunities. In early 2023 we announced a new partnership with ANL as an important step towards making Gladstone the port of choice for containerised cargo in Central Queensland. We look forward to supporting a reliable and competitive operation for our customers as we facilitate regional industry savings on transport and associated supply

chain costs and reduce road congestion for Queensland. We also continued to progress development and expansion opportunities at the Port of Bundaberg and Port Alma as we further diversify and grow our business.

Our organisation has undergone sustainable change and we recognise our people's adaptability and resilience as we continue to restructure the organisation to best support today's business and be fully positioned to harness future growth. We would like to recognise and thank our Board and Executive Leadership Team who provided strategic direction, governance, and counsel throughout this period. We also acknowledge the integral role of our shareholding Ministers for their continuing support. Finally, we recognise our employees and valued customers, whose efforts have been pivotal to the success we have achieved this year. Our employees and contractors continue to exhibit GPC's values in the work they do and the way they are a community or rather, a family that we are very proud to be a part of.

We are focused on ensuring continuity and stability for the business, and exploring exciting new opportunities. To our teams, our customers and the communities in which we operate, thank you for your continued and valued support as we facilitate sustainable trade and development and provide prosperity to the region. We are pleased to deliver our 2022-2023 annual report.



Dr Anthony Lynham
Chair of the Board



Craig Haymes
Chief Executive Officer

Safety, health and wellbeing

We are enhancing safety performance and culture for our employees, contractors and the community. We promote health and wellbeing initiatives, focused on psychological wellbeing, and play a fundamental role in protecting, improving and supporting the health and wellbeing of our employees.

Accreditation of Health and Safety Management

GPC's health and safety management system is certified to the international standard ISO 45001. To maintain certification, the organisation must participate in annual surveillance audits and a 3 yearly recertification audit. In March 2023, GPC participated in an annual surveillance audit. An action plan was developed for the minor non-conformances and opportunities for improvement that were raised by the external auditor. In February 2024, GPC will undergo a re certification audit.

Sean Brady Review

In 2022, GPC engaged Sean Brady, an independent safety expert, to conduct a health check of the effectiveness of our safety management system. Focus areas included the effectiveness of the risk management system, high consequence risks and their controls, supervision and training. The review involved analysis of data, site visits and multiple discussions with front-line workers, health and safety representatives, union representatives, functional support team roles, contractors and leaders. GPC received a report with key findings and recommendations in September and shared the results with all GPC leaders through workshops. The leaders provided valuable input into what would make the most impactful difference to them and what they would do to address the findings. These workshops initiated a culture shift conversation with key messages revolving around:

- Our workers are our best problem solvers
- Safety is not the absence of incidents

A cross-functional project team ('Safety Enhancement Project Team') including workforce representatives was formed to lead and deliver a number of safety improvement initiatives.

Employees participated in safety workshops to provide feedback on the recommendations and assist the Safety Enhancement Project Team with prioritisation of the forward plans, which includes:

- Establishing an Operational Risk Profile;
- Fatal Risk System Design and Implementation;
- Safety Risk Management Review and Embedding into GPC;
- Safety Management System Document and Electronic System Simplification and Efficiency Review;
- Contractor and Port User Safety Management System; and
- Permit to Work System.

Other initiatives that were identified include:

- Structure review and provide role clarity;
- Leadership development program;
- Reward and recognition strategy;
- Pre-start/toolbox standardisation;
- Accessibility of information for general workforce; and
- Evaluation of current training and identification of strategies to tailor/enhance.

These safety improvement initiatives have been included in the 2023/24 Statement of Corporate Intent.

Leadership Team Site Visits

Site visits are part of GPC's commitment to share and collaborate on improving safety and operational processes and practices with site visits continuing into the next financial year.

Responding to climate change

We are committed to identifying, understanding and addressing potential climate change risks and opportunities to assist GPC to adapt for long-term prosperity.

Sustainable and ESG journey

As GPC continues its Sustainability and ESG journey, the focus is on embedding our ESG Strategy into every aspect of the organisation using mechanisms such as planning processes.

GPC is committed to identifying and addressing potential climate change risks and opportunities to assist the organisation to adapt and transition for long-term prosperity. The material topics informed the strategic priorities, with input from our customers, employees and community.

As part of GPC's Sustainability Strategy, we have achieved ongoing reductions of greenhouse gas (GHG) emissions (including Scope 1 direct emissions and Scope 2 indirect emissions from electricity use) since National Greenhouse and Energy Reporting (NGER) began in 2009. The reduction has been achieved through a number of voluntary energy and fuel efficiency programs. GPC continues to develop its long term climate change strategy and targets ensuring they are in alignment with the Queensland Government's Sustainability and ESG reporting requirements.

In December 2022, GPC introduced three electric vehicles into the fleet to reduce emissions and vehicle operation costs as part of GPC's goal to reduce its carbon emissions, while supporting the Queensland Government's acceleration towards a target of zero net emissions by 2050. The electric vehicle charging stations are supplemented by the organisation's existing rooftop solar system at the Yarroon Street office in Gladstone and Port of Bundaberg. A new rooftop solar and storage system was also commissioned at Port of Rockhampton. During the financial year, GPC began using quality diesel for its dozer fleet, resulting in a 3 percent reduction of fuel and associated emissions.

Our Environmental Compliance

Our ongoing environmental commitment is demonstrated across the organisation and supported by our environmental compliance framework, which strives to ensure obligations are met including infrastructure and operations managed responsibly. In March 2023, GPC participated in an annual surveillance audit before an action plan was developed to continue the delivery of the ISO 14001:2015 accredited Environmental Management System, along with many other GPC projects and initiatives.

Indigenous Affairs

We continue to engage with the First Nation peoples whose lands we all share, live, work and play on. We focus on strengthening relationships, fostering respect, ensuring accountability, increasing opportunities and delivering on our Reconciliation Action Plan.

GPC's workforce is home to 5.5 percent of employees who self-identify as Aboriginal and Torres Strait Islander People or Australian South Sea Islander People.

GPC is proud to have the opportunity to connect with seven traditional land owners across its four-port footprint.

Reconciliation Action Plan (RAP)

GPC has operated its Indigenous Affairs program under the strategic direction of an authorised Reconciliation Action Plan (RAP) since 2012 – the first port authority in Australia to develop a RAP. We are currently working on our fourth Reconciliation Action Plan.

Indigenous Land Use Action Plan (ILUA) with Port Curtis Coral Coast (PCCC)

GPC currently has an Indigenous Land Use Agreement (ILUA) with the Port Curtis Coral Coast (PCCC) people that focuses on the Port of Gladstone and extends to the south (Port of Bundaberg) and to the north (part of Port Alma). During the financial year, GPC, the PCCC and Prescribed Body Corporate (PBC) began collaborating to establish a Relationships Committee.

In April 2023, GPC connected with native title representatives from the Darumbal People Aboriginal Corporation (DPAC) in Rockhampton to collaborate on an ILUA. GPC is excited to work with the Darumbal people to begin a journey with an open high level dialogue to initially explore the potential opportunities that may be available, for both GPC and Darumbal.

Removing financial barriers for future local leaders through Talent Today, Talent Tomorrow program

GPC has supported 208 Aboriginal, Torres Strait Islander and Australian South Sea Islander students over the past nine years with GPC providing more than \$106,000 in funding through its Talent Today, Talent Tomorrow bursary program. The scholarship assists in removing the financial barrier in student's lives and allows them to focus solely on their studies knowing that GPC is supporting them.

Welcoming Melody Ingra to the Board

Melody is a proud Gooreng Gooreng / Wakka Wakka woman from Yallarm (Gladstone). In October 2022, Melody was appointed to the Board and is a member of the People, Performance and Culture Committee. She was an inaugural Coach for the Indigenous Women in Leadership program and has delivered Aboriginal Cultural Awareness to over 1000 people across the nation. Melody is actively involved in First Nations communities across Queensland, with strong connection to Gladstone being born and raised there as a Traditional Custodian, with family ties to the region.

Resource and Infrastructure Trainee

GPC supported five new trainees during the financial year to develop world-class skills and expand their horizons, both with GPC and within the local community. The Resource and Infrastructure Traineeship program is designed to support the region's future Aboriginal, Torres Strait Islander and Australian South Sea Islander leaders in their journey from education and training to employment.

Facilitate, grow and diversify trade through partnerships

We are capturing new opportunities offered by globalisation, new energy and technology.

TRADE BREAKDOWN

GPC is strengthening its position as one of Australia's premier multi-commodity ports, facilitating the export of more than 30 different products exported around the world.

In total, GPC's three operational ports in Gladstone, Rockhampton and Bundaberg recorded a throughput of 112 Million tonnes (Mt), with 111.2Mt, 0.2Mt and 0.4Mt respectively. This was primarily led by coal, LNG, alumina and associated products.

KEY COMMODITIES

Coal

In 2022/23, the coal industry accounted for 54 percent of GPC's total throughput, with total exports of 60Mt. Production was lower than budget due to a number of external mine and rail related supply issues.

LNG (Liquefied Natural Gas)

GPC is one of Australia's largest LNG ports with LNG through the Port of Gladstone contributing to 25 percent of the world's trade with 22 Mt of total LNG throughput recorded in 2022/23.

Bulk liquids (not including LNG)

GPC handled a variety of bulk liquid products during the financial year including liquefied petroleum gas,

liquid ammonia, caustic soda, diesel, unleaded petrol, and sulphuric acid.

Dry bulk (not including coal)

Aluminium, alumina, bauxite, calcite, cement, grain, sugar, petroleum coke, fly ash, gypsum, limestone, silica sand, and wood pellets are among the dry bulk products handled across GPC's port precincts during 2022/23. Alumina, bauxite and associated trade account for 26Mt of our total throughput. Alumina trade was relatively consistent however there were some variations due to seasonal impacts.

General cargo

General cargo product handled by GPC included containers, wind turbines, explosives, scrap metal, heavy equipment, machinery, forestry products, and breakbulk (bagged products).

KEY GROWTH AND DEVELOPMENT

Port of Gladstone

Container Trade

GPC welcomed leading worldwide shipping line ANL in May 2023 to commence a regular container service - a significant step for containerised cargo in

Central Queensland. ANL is part of the CMA CGM Group in Oceania – the largest container shipping line in Australia with the greatest market share in Australia. The commencement of this service is a step towards making Gladstone the port of choice for containerised cargo in Central Queensland. Furthermore, it allows regional industries to save on

transport and associated supply chain costs and reduce road traffic. Since commencing the container service GPC has seen significant growth.

GPC remains focused on growing this market and creating a world class container terminal. This is the first step to becoming the next major container terminal on Australia's east coast. GPC will continue to contribute strongly to the Queensland economy and community infrastructure with Central Queensland being extremely active, in the project space. Gladstone's container shipping service provides opportunities for all project logistic managers to drive down supply chain costs by rerouting their imports through Gladstone.

Port Central Precinct

GPC's Port Central Precinct, consisting of over 100ha of port land, has a competitive advantage with a natural deepwater and protected harbour. GPC is currently undertaking a business case review to early order a large container crane for the expanding Port operations. Phase one of GPC's Port Central Precinct for container trade includes investigating a warehousing and distribution precinct including integrated warehouses, which would cater to cold storage and warehousing facilities.

Wind turbines

During the financial year a total of 95 blades have been shipped to Port Central awaiting transportation to the Clarke Creek site. The \$3B Clarke Creek Wind Farm is one of the largest renewable energy projects in the southern hemisphere and will be built over two stages. The site is located in the Isaac Shire and Livingstone Shire areas. The project represents a combination of strong and predominantly night-time wind energy generation to complement Queensland solar production. Once complete the site will host 100 wind turbines set to produce about 450MW of green energy by 2025.

Northern Trade Precinct

The fast emerging renewables trade including potential exports as e-methanol, ammonia, MCH, toluene, biofuels and liquefied hydrogen has been central to the ports diversification planning and facilitation.

The *Queensland Energy and Jobs Plan* (Sep 2022), identifies Gladstone as a critical location for future clean industrial growth and the renewable hydrogen industry. Located in the centre of the Fitzroy Renewable Energy Zone, GPC recognises its key role in readying the region for the major over-size over-mass freight that will be required to enable hydrogen and the Queensland Government's renewable energy target of 50 percent by 2030. GPC's Northern Trade Precinct (NTP) has been identified as the ideal precinct for renewables development – an area of more than 10,000ha. The NTP is located adjacent to the 27,000 hectare Gladstone State Development Area and has capacity to expand to 10 berths.

GPC continues to work collaboratively with Gladstone Regional Council, the State Government and other key stakeholders to explore hydrogen opportunities for the Northern Trade Precinct. Gladstone has decades of experience providing energy to the markets in Japan, Korea, India, Malaysia and GPC is focused on the region continuing to be the northern hemisphere's port of call. GPC is well-positioned to be Australia's leading hydrogen export location by 2030 and has been working with a number of proponents to facilitate hydrogen in the region with established agreements already in place. GPC is currently undertaking a comprehensive assessment of land plans, common user infrastructure, pipeline, and storage and wharf facilities in readiness for the major energy transformation.

Long-term Operations at RG Tanna Coal Terminal (RGCT)

GPC is the proud operator of RG Tanna Coal Terminal, the fourth largest coal export terminal in the world. GPC is focused on maintaining a competitive operation that is cost-effective to its customers with safety at the forefront of its operations. GPC is continuing to invest in critical assets and is committed to a three shiploader operations to ensure long term reliability and availability for our customers.

Land Use Plan

The drafting of a new Port of Gladstone Land Use Plan is well underway to deliver GPC's next statutory

Land Use Plan (LUP). The LUP identifies Strategic Port Land to be used for port and related industry development and provides a framework for us to guide, assess and approve development on Strategic Port Land, and its tidal waters, under the Planning Act 2016 (Qld). The new LUP will be the first delivered since the commencement of the Port Overlay for the Priority Port of Gladstone and will look to integrate the two as far as practicable. The next legislative step of the process will be public consultation on the draft LUP document in the coming months.

Barney Point Terminal Diversification

At the Barney Point Terminal, GPC is continuing to transition the terminal from coal to a mixed-use bulk export facility, providing support to our local and regional customers. For almost 50 years, the facility was used primarily for coal operations, exporting approximately 4.5Mt of coal annually up until May 2016. Now the multi-commodity facility is home to stockpiles of calcite, limestone and magnesite. Since then, GPC's Barney Point Terminal has seen its highest throughput since its diversification in 2016. GPC currently exports just under 200,000t from its Barney Point Terminal, with a potential pathway to export of 1Mt per annum.

Auckland Point 1 Cruise Terminal

GPC is preparing to welcome larger cruise vessels by future-proofing the wharf at Auckland Point 1. The project includes a Wharf Topping Slab Refurbishment and wharf strengthening which is now in its final stages. The project commenced in January 2022 and is being completed by a local marine contractor, Joseph Engineering Pty Ltd. The new fender will improve berthing for vessels, by modernising the existing timber fender system and facilitating berthing for larger cruise vessels visiting Gladstone in the future. The works include new marine pylons, buffer and securing equipment to replace the old structure and extend the life of the Auckland Point wharves. The strengthening works will enable the largest cruise ships to visit the region once complete in 2023.

Cruise Vessel Visit

On 14 November 2022, the Holland America cruise ship 'MS Noordam' docked at the Auckland Point

wharf, Gladstone. The cruise ship carried more than 2,500 passengers and crew, and was the first passenger ship to visit Gladstone in the three-year period following the COVID-19 pandemic health and border restrictions. The visit of the cruise vessel was successful and the passengers were able to visit the various tourist attractions at the City of Gladstone, including GPC's award-winning parklands. The visit concluded successfully and there were zero safety or security incidents.

Auckland Hill Lookout Rejuvenation Program

An iconic Gladstone landmark is set to boost the Port City's tourism industry with the Australian, State and local government investing in the multi-million dollar works. GPC's plans indicate a modern viewing lookout, increased accessibility, walkways, landscaped community spaces, revitalised infrastructure and facilities including a kiosk as well as additional car parking. Construction work commenced in October 2022 with major works expected to be completed in 2023. Phase one includes a new seating area featuring long, winding seating to allow people to relax and take in the western view, as well as three modern viewing platforms. The improved steps will also be available to healthy Gladstone locals who love to test their exercise skills running up and down the steps. Revamping the iconic Auckland Hill will ensure locals and visitors alike can watch the operations at Gladstone Port, helping them better understand the vital role this gateway plays in driving the local, state and national economies. There is no better place to view the port and its surrounds, and to grasp its economic importance.

East Shores Conference Centre

Work has been completed on GPC's new East Shores Conference Centre. The Conference Centre on Flinders Parade is designed to cater for future GPC events and conferences. The modern space has conference-style seating capacity for 130 people. Work commenced in April, 2022 and was completed in May 2023.

East Shores: The Next Phase

GPC is collaborating with the Gladstone regional Council to continue to undertake master planning of key areas of the Port. A Buffer Lands Master plan has

been developed and will be incorporated into the new Land Use Plan for the Port of Gladstone. Concept design drawings have been developed for four key buffer areas to facilitate the next stages of development in these important public facilities, including for the extension of East Shores. The next stage of work to follow this coming year will be the development and refinement of detailed design for this area.

Port of Bundaberg

The Port of Bundaberg (PoB) has served as a vital link for the Bundaberg region's industry for more than a century and is located in a growing tourism destination.

Since the transfer of management responsibility for the PoB, GPC has been working to develop the port to operate to its full potential in a measured and sustainable manner to bring further growth and prosperity to the Bundaberg region in terms of trade and tourism.

Common User Infrastructure Project

The Common User Infrastructure project at the Port of Bundaberg aims to provide an opportunity for the Wide Bay Burnett region and surrounds to increase exports of bulk commodities including minerals, timber products (wood pellets and woodchip) and agricultural produce. The \$21M project comprises of \$1M from GPC, \$17.7M from the Australian Government via the State Government and \$2.3M from Sugar Terminal Limited (STL). Furthermore, GPC has also contributed approximately \$8M in infrastructure projects of roads, wharf upgrades, land developments and rehabilitation to support the CUI project. The project is an investment into the Port of Bundaberg, optimising existing infrastructure in a partnership between the Australian Government under the Hinkler Regional Deal, Queensland Government, Sugar Terminals Limited and GPC.

The CUI is being constructed and will be operated by STL under a Framework Deed with GPC. Construction work commenced in June 2022 by Loftus Contracting (civil works) and Clough (structural, mechanical and electrical works), with full commissioning expected to be completed in

2023. In May 2023, the first ship was loaded after successfully modifying the shiploader. The modifications enable Sugar Terminals Limited to lower the telescopic chute to the wharf, uncouple it and install a different chute that is tailor-made for another product. GPC and STL are working closely to market the new ship-loading infrastructure, particularly to bulk mineral and agricultural export markets, which has the potential for up to 2Mt of trade per year. This "quick-change" system will enable Sugar Terminals Limited to load a variety of bulk commodities at the Port of Bundaberg with minimal down-time between ships. The design plans were completed in 2021 and the project was awarded to a local contractor who commenced works in June 2022.

Okara

During 2022/23 GPC facilitated the development of new bulk import/export storage facilities with local transport logistics company Okara. Okara developed a concrete bunker in December 2022 which was used in January 2023 for two shipments of bulk export silica sand. Opportunities for the storage and export of containerised trade are also being investigated by Okara, as well as other bulk export and import commodities.

Pacific Marine Base

The Pacific Marine Base Bundaberg (PMBB) is nearing completion on developing a \$15M wharf, with support by the Australian Government through grant funding of \$6M. The piling works for the 97 metre long wharf was completed in early June 2023 and works have commenced on the Roll-on Roll-off (RORO) ramp, along with preparations for the dredging for the wharf's berth pocket with a design depth of 7m below the Lowest Astronomical Tide (LAT). The new wharf has been designed for extreme loading capacity - substantially higher than most Queensland ports. It will accommodate barges & small cargo vessels and is easily scalable by adding more wharf cells. The RORO ramp is expected to come into operation in the third quarter of 2023.

Trade opportunities that have been identified by PMBB include:

- Cargo barging support; interstate, intrastate & with the Pacific Islands;

- Land based logistics;
- Project support including solar & hydrogen farms;
- Marine maintenance/repairs;
- Biosecurity first point of entry; and
- Disaster recovery & support.

Burnett Heads Boat Harbour

GPC has also played a major role in successfully attracting a developer with a master plan for creating a world-class tourism, lifestyle and leisure precinct at the Burnett Heads Boat Harbour. Development approvals have been obtained by the developer, who is now seeking to fast-track the initial stages of the marina development with dredging to be completed and construction of around 70 marina berths to be completed by late 2023. The first 46 residential apartments have been offered to market, with strong market interest, and are expected to commence construction in 2024.

Port of Rockhampton

GPC is committed to expanding and promoting the Port of Rockhampton's (Port Alma) national security and strategic value as a defence and hazardous goods hub. As Australia's largest facilitator of hazardous goods and explosives accounting for the

import of 95 percent of Australia's hazardous goods, GPC's Port of Rockhampton is uniquely positioned to capitalise on future growth opportunities across the country's mining, construction and defence sectors.

The Port of Rockhampton's ammonium nitrate trade is conducted to the highest safety standards and is subject to vigorous regulatory compliance. Importantly, no ammonia nitrate is stored at the port, it is staged and transported directly from the port to its destination. The port's remote location, robust marine infrastructure and isolated staging areas facilitates the safe transport and handling of dangerous goods.

As a national hub for hazardous cargo, the Port of Rockhampton is a strategic asset for Queensland and Australia. With the ability to service growing industry demand in the trade of dangerous goods and explosives, the port is of national security significance and is a critical link in the value chain. We are committed to building on the existing trade and supporting new trade of hazardous goods and explosives so we can continue to service domestic trends and address global shifts.

OUR SERVICES

Gladstone Marina

GPC's Marina is located on the Southern Great Barrier Reef and is perfectly positioned to explore the secluded anchorages, tropical islands and pristine coral reefs of the area.

GPC has focused on enhancing its reputation and strengthening its community engagement and investment as part of our ESG strategic priority.

In March, 2023 GPC's Marina became an internationally recognised "5 Gold Anchor" Marina. The Marina is one of 11 marinas in Australia to receive the accreditation. The Global Gold Anchor is an international accreditation which requires a rigorous assessment of a marina's services, procedures and facilities. The accreditation aims to inform consumers as to the level of services and facilities at marinas and to provide marinas with a

set of benchmarks to maintain and a pathway for continual improvement.

During 2022/23, GPC conducted a customer satisfaction survey which indicated a Net Promoter Score of 82 – up from a previous score of 57. This represents an exceptionally high level of customer satisfaction and loyalty. This is reflected in our occupancy growth and positive feedback from marina guests. GPC is focused on improving the marina to benefit regional and state tourism and economies.

We are future-proofing the Gladstone Marina's long-term sustainability and are committed to creating an award-winning facility for yachting and boating activity that attracts visitors from around the world. GPC celebrated its third year as the naming right for the Brisbane to Gladstone Yacht (B2G) Race in April 2023. As part of the naming right sponsorship, GPC provided the Queensland Cruising

Yacht Club (QCYC) with a newly renovated race office in the heart of the Marina.

GPC looks forward to working with the Marina Industries Association (MIA) and continuing their strong commitment to the environment with Gladstone Marina also an accredited International Clean Marina and Fish Friendly Marina.

Gladstone Marine Pilot Services

GPC is one of Australia's premier pilotage services for safety, complexity and variability of pilotage movements. Gladstone Marine Pilot Services (GMPS) continue to provide pilotage services at three port precincts of Port of Gladstone, Port of Bundaberg and Port of Rockhampton.

GMPS work around-the-clock to ensure safe and efficient pilotage for the Port of Gladstone, Port of Rockhampton and Port of Bundaberg. During 2022/23, 1908 vessels visited GPC ports and GMPS pilots undertook 4544 pilot movements. GMPS holds the International Standard for Maritime Pilot Organizations (ISPO) accreditation and is one of only 34 pilotage organisations worldwide with this accreditation. GMPS already meets or exceeds the pilotage related policies set by Maritime Safety Queensland (MSQ) and is well positioned to meet the new requirements that will come in to force as part of Pilotage Regulatory Improvement Program.

GMPS also consists of the Pilot Launch Service. The pilot launch crew continue to provide an outstanding service ensuring the safety of the marine pilots throughout the marine pilot transfer. As part of a continuous improvement drive, GMPS has implemented two large scale initiatives during the 2022/23 financial year.

Introduction of New Portable Pilotage Units (PPU) In Pilotage Services

GMPS has commenced the use of a new Trelleborg PPU which incorporates key technical upgrades and allow a pilot to access real time navigation data that is completely independent from all of the ships equipment. Some of the technical upgrades of the Trelleborg PPU include increased positional and speed accuracy, enhanced ability to receive signal from Global Navigation Satellite System (GNSS) for positioning and navigation, latest 'anti-spoofing' software, and ability to remotely receive the navigational feed to assist in the event of an emergency.

Roll out of Program 'Pilot Control'

The program 'Pilot Control' is a modern pilot allocation tool which also helps better manage Pilot fatigue. Through this program, a pilot directly receives notification via an app which the pilot then acknowledges the job allocation. This creates a closed loop system to ensure no vessel is inadvertently missed. SAAB Maritime, who developed this tool, were assisted by GMPS during the design and trial stages which lasted over 12 months. The system went live in October 2022 and has brought about operational efficiencies in pilot allocation.

Sustainable management of our Ports

We responsibly manage our port facilities. We continually seek to improve our environmental performance and where possible enhance the natural environment through innovative projects, partnerships and research.

Our Environmental Commitment

Mission: To responsibly manage, develop and facilitate the prosperity of others through operating our port facilities and services in an economically, environmentally and socially sustainable manner. We recognise our port facilities and services are located in estuarine environments of high conservation value, and as such we have a responsibility to protect and preserve our environment. To meet our environmental responsibilities, Gladstone Ports Corporation (GPC) complies with environmental approvals for specific activities which may impact environmental values and cause environmental risk. GPC has implemented an Environment Policy and is committed to:

- Developing and implementing an Environmental Management System (EMS) certified to AS/NZS ISO 14001:2015;
- Maintaining our certification and demonstrating continual improvement;
- Operating in a manner that allows for sustainable development and minimises environmental harm to the port and surrounding areas;
- Improving the level of awareness and understanding of our employees and the wider community; and
- Establishing environmental strategies in association with external stakeholders.

Memorandum of Understanding

GPC first signed a Memorandum of Understanding (MOU) in 2020. March 2023, GPC signed a second MOU with Central Queensland University (CQUni). Through the MOU, CQUni and GPC will collaborate on new projects and combine resources to design initiatives that will benefit community and industry within the Central Queensland and Wide Bay regions.

The priority areas that form the foundation for the agreement include

- Engagement with First Nations Peoples;
- Environmental and Social Governance;
- Research through the Coastal Marine Ecosystems Research Centre (CMERC);
- Workforce education and training;
- Innovation and technology;
- Future trade; and
- Decarbonisation.

The priority areas will be supported by the development and delivery of new research

programs into environmental sustainability and renewable energy, as well as the delivery of industry informed hi-tech training and education courses that meet the future workforce needs of regional industry. The agreement will also see CQUni and GPC work together to give back to local communities by supporting school engagement activities and social impact initiatives. The agreement represents an important strategic alliance between the two organisations. Initiatives and outcomes related to the MOU will be overseen by a joint Advisory Committee made up of nominated executives and subject matter experts from both organisations.

Restoring coral in the Gladstone Harbour

Reef degradation had occurred in parts of the Gladstone Harbour following intense wet seasons between 2010 and 2017. When natural recovery failed, GPC stepped in to trial active restoration techniques to help the corals to recover 96 m² of damaged corals at Seal Rocks and Manning Reefs. The corals are being restored through removal of macroalgae and active cementing of corals to

promote growth. Six monthly monitoring post restoration efforts are showing that the corals are thriving. The monitoring will continue for the next three years.

Port of Bundaberg Shorebird Habitat Enhancement

Burnett Mary Regional group (BMRG) are working with GPC to build artificial shorebird roosts at Port of Bundaberg. This is to support critically endangered and threatened migratory shorebird species. Monitoring of the program is expected to provide valuable insight into how shorebirds use the port and how to better support their usage.

Facing Island

In August 2022, more than 277kgs of marine waste was collected from 18kms of beach on Facing Island. GPC employees joined volunteers from the not-for-profit organisation, Tangaroa Blue, for Reef Clean's bi-annual Facing Island Community Beach Clean-up day.

Dredging

Dredging is a key risk mitigation tool for managing shipping channels. GPC utilises the Trailing Suction Hopper Dredger (TSHD) 'Brisbane' to perform annual maintenance dredging services at the Ports of Bundaberg and Gladstone. At the Port of Rockhampton, depths are maintained with a bed levelling vessel where minor shoaling can be relocated to nearby naturally deep water. Hydrographic surveys of all shipping channels, berths and swing basins are undertaken annually to determine dredging priorities and quantities for removal.

Capital Dredging

A small amount of Capital dredging for 27,448m³ of sand and clay was undertaken at the Port of Bundaberg in September 2022 to provide siltation capacity at the sugar berth. All dredging, hydrographic surveying and bed levelling works are overseen by GPC Marine Operations, ensuring maximum tonnages continue to be traded via our safe and efficient shipping channels.

Maintenance Dredging

At the Port of Bundaberg, 61,532 m³ of silt was removed in 8 days in April 2023. At the Port of Gladstone, 211,726 m³ was dredged over 33 days

between October and November 2022. All dredged silts and sands were transported to respective approved Material Relocation Areas.

Maintenance Dredging Stakeholder Engagement

During the 2022/23 financial year, GPC has reviewed its long Term Maintenance dredging management plans (LMDMP's) for the Port of Bundaberg and Port of Gladstone while actively consulting with its external stakeholders. This has yielded positive contributions to ensure the longevity of GPC's ports.

Oil Spill Incident Response Exercise

In March 2023, GPC conducted an emergency exercise at the Port of Rockhampton which included field response activities followed by desktop discussions. The multi-agency exercise was attended by representatives from GPC and Maritime Safety Queensland (MSQ). The exercise provided an opportunity for 21 first strike responders from GPC to build upon their existing emergency management skills using oil-spill response equipment. Oil spill booms were deployed on the water and towed into position using a workboat as part of this exercise. Responders learnt about different strategies and methods to deal with oil spills, and various aspects of incident management. MSQ representatives increased their understanding of GPC's multi-agency response approach to oil spills and the communication protocols that will be followed.

Sustainable Sediment Project

The Sustainable Sediment Management Project (SSMP) builds on GPC's knowledge of sediment movement in the Ports GPC operates. Following the completion of a conceptual sediment budget, various assessments were undertaken to identify options to avoid or reduce maintenance dredging and disposal activities, or to beneficially reuse the dredged material. The options assessments took into account the varying physical properties of the sediment that accumulates within the channels, berths and basins in the Ports. The options were evaluated through a rigorous consultation process which selected options worth progressing to detailed feasibility studies. In the Port of Gladstone two options deemed feasible have been progressed through the regulatory approval process and are to be trialled in 2023 and 2024. The project demonstrates how GPC is implementing the

relevant aspects of the Maintenance Dredging Strategy, as an action from the Reef 2050 Long-Term Sustainability Plan. It also highlights how GPC are progressing with the ultimate goal of obtaining a robust, well considered, long-term solution for the management of maintenance dredging sediment. Subsequently this level of knowledge will provide more certainty and efficiency in future maintenance dredging approval applications.

Seawall habitat enhancement

GPC and CQU have been successful in gaining approval to install the rock groins near Fisherman's Landing with construction completed in early 2023. Mangrove trials have commenced with oyster habitat to follow in the 2023 spawning season.

It's all part of a Seawall Habitat Enhancement study led by GPC and CQUni within the Port of Gladstone, which aims to investigate the viability of creating new intertidal sediment habitat adjacent to reclamation areas. Sponsored by GPC and CQU, PhD candidate and Ecological Engineering scholarship recipient, Rory Mulloy, is one of two researchers driving the trial project. This investigation includes assessing the incorporation of 'Working with Nature' principles into the development of port infrastructure, where habitat creation is considered during the planning and construction phases. The existing construction of reclamation areas in the port has shown increases in tidal flows adjacent to the seawall, with numerical modelling used to find the most suitable flow control structures required to prevent the erosion of potentially placed sediments. Key habitats being assessed include mangrove, oyster and seagrass. In a busy multi-commodity port such as Gladstone, seawalls are essential for protecting cargo ships, marine and port infrastructure, recreational boats and fishing vessels, and coastal community infrastructure from the elements.

Fine-grained sediment

Investigations have been undertaken in 2022 – 2023 into the behaviour of suspended sediment within the Port of Gladstone which highlighted that fine-grained sediment (FGS) found within most areas of

the Port are subject to the process of flocculation. This has provided a better understanding of the importance of flocculation in sediment suspended by dredging for the assessment of potential environmental impacts. Flocculation is the process of FGS sticking together as they collide via settling and turbulence. The positive ions in seawater attach to the negatively charged clay particles, creating short-range attractive forces, allowing them to stick together and form aggregates known as flocs. The results have shown that after a dredging campaign, water quality will return to normal levels within a few hours and the majority of sediment remains within the Port. This study has also highlighted that modelling the sediment suspended by dredging without including flocculation can result in a significant underestimation of the sedimentation of the dredged sediment and therefore overestimate the potential impacts. This finding can be relevant to impact assessments, approval processes, management and monitoring programs and offset requirements that are often reliant on predictive modelling.

Recycling gloves

In February 2022, GPC rolled out a new waste initiative to reduce the amount of gloves going to landfill. GPC's environment team identified that decontamination and re-use is the only sustainable option to reduce this waste – the only gloves that can't be recycled are chemical gloves. Designated bins have now been rolled out to send gloves to be laundered.

Drain buddy project protects Gladstone harbour

GPC's Drain Buddy litter-control initiative, is a network of 21 storm water litter-catchers that have made a major impact on reducing cigarette butt litter, debris and other land-based pollutants from entering Gladstone Harbour. The program has been in place for two years, and has prevented about 1700kg of litter from polluting to sensitive aquatic ecosystems throughout the Gladstone Harbour. There are plans to extend this initiative for the next couple of years.

Community engagement and investment

We collaborate with the community through proactive communication, engagement, environmental education and projects to improve the region's prosperity.

GPC is a significant investor of both monetary and in-kind support in the local port communities of Gladstone, Rockhampton and Bundaberg. As a Government Owned Corporation, GPC manages community investments in a responsible manner, ensuring that any investment aligns with our values and corporate objectives.

Community Investment Funding

During the 2022/23 financial year, GPC injected \$350,582 into the community through community support, grants and donations and community and strategic partnerships. GPC supported 21 initiatives through the Grants and Donations category across Gladstone, Rockhampton and Bundaberg during the financial year with support ranging from funding new equipment to providing free activities through various not-for-profit groups for our port communities.

Community collaboration

GPC is proud to collaborate with the community and provide venues and support for a number of community events and initiatives. In the last financial year GPC has proudly supported the community in many ways including:

- GPC's Marina Main Stage hosted the Gladstone Community Linking Agency Rock School Performance;
- *Integreat* Queensland started their regular picnics at Spinnaker Park;
- GAPDL facilitated the Australian National Busking Championships;
- Capricorn Helicopter Rescue Services (CHRS) had their Community Open Day with displays and information from the various emergency services and a visit from the CHRS helicopter.

GPC's Parklands hosted a number of events including:

- Feast on East Markets in conjunction with the visit of the MS Noordam (cruise ship), CQ Beer and Cider Festival (raising funds for the Gladstone Harbour Festival);

- Reclaim the Night Rally;
- Colour Me Capricorn Fun Run;
- Queensland Symphony Orchestra's Symphony Under the Stars free public concert was facilitated at GPC's Marina Main Stage;
- Mayor's Carols;
- Gladstone Regional Council's (GRC) New Year's Eve festivities;
- GRC Australia Day Celebrations;
- The Gladstone Harbour Festival and Easter in Gladstone celebrations;
- Boyne Tannum Hook Up Gladstone Satellite Weigh In; and
- Labour Day Picnic.

Port to Park Fun Run 2022

GPC's major community event, the Port to Park Fun Run, is held annually each August and supports local schools and a community beneficiary in Gladstone. In August 2022, GPC's Port to Park Fun Run saw thousands of feet pound the pavement and provided vital funds for health programs at local schools and supported an important community cause. As part of the Fun Run, 27 local schools were supported with more than \$18,767 to use for health, sport and recreation equipment and materials, such as sports gear or school breakfast clubs. Port to Park encompasses GPC's commitment to empower and collaborate with local community groups, not-for-profits, schools and organisations to improve the region's prosperity. Choice. Passion. Life (CPL) was chosen as GPC's Community Beneficiary in August 2022 with the organisation receiving \$20,000 towards its Mylestones Solutions Garden Crew. The grant has given CPL an opportunity to better strengthen its gardening maintenance service in the

region and ultimately provide ongoing employment opportunities for locals living with disability. The Port to Park event not only encourages locals to get active outdoors and supports their physical and mental health but each year it aims to support schools across the region with funding. All registration fees for school-aged participants are donated back to their nominated school. GPC has raised more than \$440,000 for various beneficiaries and local Gladstone schools through this initiative.

Hydrogen Grand Prix

In April 2023 GPC supported the Hydrogen Grand Prix activity through its Community and Strategic Partnerships category. GPC supported the Faith Baptist Christian School team at Australia's first Horizon Hydrogen Grand Prix (H2GP) held at the Gladstone Entertainment and Convention Centre. The team which named themselves *Faith and Furious* competed against 20 teams from across Queensland, New South Wales and Victoria. GPC's sponsored team won and are now off to the World Finals in Las Vegas.

Gladstone Ports Corporation's Brisbane to Gladstone Yacht Race (B2G)

The Port City comes alive every Easter with Gladstone Port's Corporation's Brisbane to Gladstone Yacht Race (B2G). GPC celebrated its third year as the naming right sponsor for the Brisbane to Gladstone Yacht (B2G) Race in April 2023. GPC is proud to support the iconic Queensland event and looks forward to continuing our support committing \$300,000 over the next five years. GPC is honoured to be playing a major role in such a historically important event, for not only our region but Queensland

Hosting the International One Metre (IOM)

In May 2023, Gladstone, was chosen by the IOM International Class Association (IOMICA) as the host city for the 2024 World IOM Championships to be held from the 20th to the 28th of October. The IOM World Titles is a highly prestigious event that

attracts top sailors from around the globe - the most popular radio-controlled racing yacht for the world. The event will be Gladstone's first ever world championships in any sport and will provide a welcome economic boost along with international recognition of the region.

Bundaberg OceanFest

GPC has been working with the Bundaberg Sunrise Rotary Club on delivering OceanFest since it began in 2017 to help showcase and promote the foreshore precinct and businesses in and around the Port and to celebrate Bundaberg's strong connection to the sea. During the financial year GPC sponsored the Reef Room to provide education from GPC experts. The Reef Room hosted five public presentations that visitors could attend and GPC organised a colouring in competition for all the budding artists to the event. The event attracts thousands of attendees every year.

Inkerman Creek Boat Ramp

On 15 May 2023, a new \$3.8M boat ramp was delivered at Inkerman Creek as part of the Port Alma boat ramp relocation project. GPC worked closely with Transport and Main Roads' (TMR) Maritime Safety Queensland and Rockhampton Regional Council (RRC) to help deliver this \$3.8M project. Onsite works at Inkerman Creek were undertaken in two stages with an extended period of settlement required after pre-loading of the soft mud foreshore.

Organisation culture & employee engagement

We foster an organisational culture based on inclusion, diversity, belonging performance and employee experience to build capability for the future.

OUR PEOPLE

Our workforce	
Number of employees	769 (751.49 Full Time Equivalent)
Full-time	95% (734 employees)
Part-time, job-share and casual	5% (35 employees)
Male employees	78% (596 employees)
Female employees	23% (173 employees)
Staff turnover rate 22/23 (Including voluntary, involuntary and end of contract)	11% (86 people)
Voluntary turnover rate 22/23 (Includes retirees and resignation)	6% (48 people)
Identify as Aboriginal and Torres Strait Islander People or Australian South Sea Islander People	5.5% (42 employees)
Number of apprentices and trainees	45 Apprentices and 13 Trainees – 58 Total
Average age of workforce (including apprentices and trainees)	46 years

Table 3: Our workforce as at 30 June 2023. (Figures rounded)

EXECUTIVE LEADERSHIP

GPC prides itself on facilitating prosperity and achieving for the state and nation. During the 2022/23 financial year, seven new team leaders were appointed to the Executive Leadership Team to harness the unprecedented opportunities of globalisation, new energy and technology, and operate in line with our vision for a sustainable future. As Australia's premier multi commodity port, GPC remains focused on fostering mutually beneficial relationships that align with our values of *Growth, Prosperity* and *Community*. It is vital to ensure the business is set up to position GPC for the future.

Mental Health Strategy

GPC is dedicated to fostering a psychologically safe workplace for employees, launching the organisations first Mental Health Strategy in November 2022. The five-year Strategy comes after extensive collaboration with leaders and employees. The first Strategy has been launched and describes

GPC's approach and priorities for ensuring a safe workplace and includes initiatives such as mental health focus groups, mental health first aider programs, employee wellness programs and a range of training and support services. The Strategy for GPC provides an integrated approach to protect the mental health of employees, promote psychological

safety and wellbeing, support employees with mental health conditions, and it also explores the issue of domestic family violence and prevention and support for those that may be affected. GPC is a proud and responsible community member, and hopes the launch of their first strategy will support their workforce and make a positive impact to their working and home lives.

People Strategy

GPC has developed a People Strategy designed to enable the future growth of the business through the identification of people initiatives underpinned by the principles of diversity, equity inclusion & belonging; good governance and ongoing employee engagement. *Building capability for the future*, GPC's People Strategy is designed to ensure an agile, engaged and empowered workforce that is aligned to our values and the achievement of our business objectives. Our People Strategy has three (3) key areas of focus: capability, employee experience, and enabling systems and is supported by a robust set of initiatives and projects that will be implemented over the next five years to make our People Strategy goals a reality.

Providing world class skills for future tradespeople

In 2022, GPC had a total of 63 apprentices and trainees, including from first to fourth year. A total of 20 graduated in 2023. GPC's annual Apprentices and Trainee Awards ceremony was held in November 2022. Apprentices and trainees were awarded across fifteen categories, including: Drafting, Mechanical, Diesel Fitting, Building Trades, Electrical and Refrigeration. In February 2023, the next generation of tradespeople began their journeys at GPC. The new cohort includes 11 apprentices and five Resource and Infrastructure Trainees. The Apprentice and Trainee, and Resource and Infrastructure Trainee recruits have an

invaluable opportunity at GPC to learn their chosen trade under the guidance of GPC's skilled supervisors and mentors. The successful apprentices were selected from more than 522 applications over two programs in 2023 - reflecting a strong interest in training at GPC. Safety is at the forefront of their inductions with the apprenticeships equipping the future tradespeople with world-class skills to expand their horizons. The intensive program includes exposure to a variety of port area rotations, equipment and a priority focus on safety in the workplace. The Resource and Infrastructure Traineeship program is designed to support the region's future Aboriginal, Torres Strait Islander and Australian South Sea Islander leaders in their journey from education and training to employment. The apprentices and trainees will spend up to four years at GPC, learning their chosen trade. In December 2022, five GPC apprentices received awards at the World Skills Queensland Competition in Bundaberg and Rockhampton – including two (2) apprentices who took out the top honours Joshua Pedersen was awarded first place in the Electrical Control category and Dirk Holmes received a first place in the Diesel category.

Governance, ethical and transparent behaviour

We advocate leadership, cultural integrity, ethical and lawful behaviours, appropriate risk management, stewardship, transparency and responsible decision making through our code of conduct, policies and management systems.

OVERVIEW: GPC has made significant enhancements in the last financial year to maintain GPC's governance, ethical and transparent behaviour remains at a high standard.

Contract and Expenditure Committee

During the financial year, GPC formed a Contract and Expenditure Committee (CEC) to improve governance for use of contractors, consultants, legal firms, commercial matters and community investments. The CEC provides a probity level of assurance and is chaired by Executive Leadership Team members in accordance with GPC procurement and contractor management systems.

Employee Development Committee

In June 2023 GPC established an Employee Development Committee (EDC) to improve governance and probity for management of employee matters. The EDC is chaired by Executive Leadership Team members in accordance with GPC management systems and demonstrates our commitment to building capability for the future.

Fraud and corruption survey

In March 2023, GPC completed a fraud and corruption survey with the workforce. We are currently progressing the roll-out of improvements identified by the workforce through a series of face to face workshops.

Internal audit assurance and continuous improvement team

In June 2022, GPC established the Audit, Assurance and Continuous Improvement (AACI) team, who report directly to the CEO and the Board's Audit and Risk Committee (ARC). The AACI function exists principally to provide the Board, ARC and the CEO with assurance over internal controls to mitigate relevant strategic, operational and process level risks, whilst identifying improvement opportunities. All findings are openly shared with the Queensland Audit Office. This financial year the AACI team has finalised in excess of twelve audit and assurance activities with five currently in progress.

Collaboration with Queensland Audit Office

GPC recognises the importance of the contribution of Queensland Audit Office (QAO) to ensure effective governance and compliance, in relation to both financial and non-financial issues. The collaborative nature of QAO's engagement continues to ensure that the established strong relationship is maintained.

BOARD OF DIRECTORS

DR ANTHONY LYNHAM

BDSC BMed (HONS), FRACDS (OMS) FRCS Ed

Chair

Member – Audit and Risk Committee

Member – People, Performance and Culture Committee

The Honourable Dr Anthony Lynham is a maxillofacial surgeon with extensive experience in ministerial and policy oversight of Queensland's major publicly owned utilities and key infrastructure projects.

Dr Lynham began his surgical career in Queensland and became recognised here and internationally for his work in the surgical management and prevention of maxillofacial trauma.

In 2014, he was elected as the Member for the Electorate of Stafford before serving as a Senior Minister in the Queensland Government. Dr Lynham is well known for his tenacious work in improving working conditions and driving investment in our state's resources industry. Under his leadership the most significant reforms in mining health and safety that our state has seen were introduced protecting our workers now and into the future.

First appointed 26 August, 2021 | Current term 26 August, 2021 – 30 September 2025

GRANT CASSIDY OAM | FAICD

Director

Chairperson – Audit and Risk Committee

Grant is an experienced Company Director and a long-term resident and business owner in Central Queensland. For the past 21 years Grant has been Managing Director of his private businesses operated under the Cassidy Hospitality Group banner. Grant's previous 15-year career in the media industry provided him with an in-depth knowledge of sales, marketing and media management. As a very active and long-term contributor to the area's community organisations, Grant understands local Central Queensland issues, having been Chairman of Capricorn Enterprise (the region's peak Tourism and Economic Development organisation) for 10 years, as well as, a former serving Board Director at Tourism Queensland, also chairing their Audit and Risk Committee. He also served on Boards with CQUniversity and Rockhampton Girls Grammar School. Grant is the current Chairman of Regional Development Australia Central and Western Queensland; Vice Chairman of Beef Australia and Chairman of the Rockhampton Salvation Army Red Shield Business Appeal. Grant is also a Director of the Northern Australia Infrastructure Facility Board and is Chair of the People and Remuneration Committee. He is a Fellow of the Australian Institute of Company Directors.

First appointed October 2015 | Current term 13 October 2022 – 30 September 2023

PETA JAMIESON | BA (Hons), MScEnvMgt, GradCertBA, GAICD

Director

Member – People, Performance and Culture Committee

Peta has over 25 years' experience working for and with all levels of government and has a breadth of both executive and operational experience and a clear understanding of how government, its policies and processes work. During her career Peta was a driver of the microeconomic reform of local governments while working for the Queensland Government, with a focus on financial sustainability and capacity-building campaigns for all councils. Peta is a strong advocate for the Bundaberg and Wide Bay Burnett region. Peta is also Chair of the Wide Bay Hospital and Health Board and member of its Finance Committee, Executive Committee, Audit & Risk Committee and Safety & Quality Committee.

First appointed October 2015 | Current term 13 October 2022 – 30 September 2023

DR PRINS RALSTON**DJS, LL.M, LL.B, BBus (ACC), BBus (Comp), FCPA, FAICD, FACS****Director****Member – Audit and Risk Committee**

Dr Prins Ralston is the CEO of Townsville City Council and has been an Executive and Board Director for over 30 years. Prins has worked extensively with boards and executives for many companies delivering on their critical strategic, policy, organisational design and capability, and leadership opportunities and challenges in Australia, New Zealand and United Kingdom.

Prior to joining Council, Prins was a principal at Nous Group and the independent Head of TaskforceNQ. TaskforceNQ was the coordinating body for the North Queensland region's recovery from the Health, Social and Economic impacts of the COVID-19 pandemic. Prins career experience includes CEO of international human and health services companies, as a Partner with National Legal Firms Clayton Utz and Gadens Lawyers and has led the Information, Communications and Technology profession in the Australia and South East Asia regions as well working with IFIP, an UNESCO body.

First appointed October 2020 | Current term 1 October 2020 – 30 September 2023

DR POYA SOBHANIAN | BSc (UQ), GAICD**Director****Member – Audit and Risk Committee**

Dr Poya (PJ) has in-depth knowledge of Central Queensland and Wide Bay-Burnett regions through his entrepreneurial background and service as a former Gladstone Region Councillor (GRC). PJ was Chair of GRC Commercial Services Committee overseeing economic development and driving performance in key commercial assets, such as the Gladstone Airport Corporation and the Gladstone Entertainment and Convention Centre. PJ has a reputation of strong action on good governance, business improvement and sustainable economic development. He has been a repeat Speaker at the Developing Northern Australia Conference. PJ brings additional experience as a former Board Member of the Gladstone Area Water Board helping the strategic delivery of IT optimisation and effective community engagement. Additionally, as a Board Member of the Central Queensland Hospital and Health Service, and Chair of the Audit and Risk Committee, PJ has been part of the strategic team leading the successful mission of protecting Central Queenslanders' lives during the COVID-19 pandemic.

First appointed October 2020 | Current term 1 October 2020 – 30 September 2023

RYL GARDNER | BA (Econ & IR), GDip Management**Director****Chairperson – People, Performance and Culture Committee**

Ryl is a senior HR Specialist with more than three decades of practical experience across a range of industries and Government sectors. As an experienced leader, Ryl has managed her own management consulting and Business Performance Coaching business for more than 20 years. She has significant experience in designing and managing change processes and an in depth knowledge of best practice and business improvement in employee management. She is a strong advocate of regional Queensland with strong family ties to Central Queensland.

First appointed October 2021 | Current term 1 October 2021 – 31 May 2024

PAUL HEAGNEY | BCom, GDipAppFinInv**Director****Member – People, Performance and Culture Committee**

Paul has over 25 years' senior managerial and executive experience in commodities, international trade, and supply chains gained in the agriculture and resources industries.

Paul was formerly Executive Director and Acting Chief Executive Officer of GPC from July 2021 - May 2022. He has previously been a customer, Director, including Non-Executive Chair, and shareholder representative, of port and terminal companies. Additionally, he is a former Director of the Australian Sugar Milling Council and Chair of its Trade Committee. He holds a Commerce Degree from the University of Queensland and a Graduate Diploma of Finance and Investment from the Securities Institute of Australia.

First appointed October 2020 | Current term 1 October 2020 – 30 September 2023

PAUL BINSTED | BA (Econ & Laws)**Director****Member – People, Performance and Culture Committee**

Mr Binsted is the current Chair of Stanwell Corporation Limited and has had an extensive career in corporate finance and has an interest in macro and micro economics. From 1982 to 2007, he was a Corporate Financial Adviser and Investment Banker holding senior positions at Lazard, Citigroup/Salomon Smith Barney, Schroders and Lloyds Corporate Advisory Services. Mr Binsted has held directorship positions across the energy, renewables, sea ports, mining and rail sectors, including Director of the Clean Energy Finance Corporation and Chair of its Audit Committee; Council Member of the Australian National Maritime Museum and Chair of its Audit Committee; Chair of Sydney Ports Corporation and the State Rail Authority of NSW; and Deputy Chair of Donaldson Coal Holdings Limited and Paringa Mining and Exploration Company PLC. He was also a member of the Financial Sector Advisory Council which provided advice to the Government on policies to facilitate the growth of a strong and competitive financial sector; and was a Chief Adviser to the Australian Federal Treasury. Holding Bachelor Degrees in Economics and Law, Mr Binsted is a member of the Economics Society of Australia and a Solicitor of the Supreme Court of New South Wales.

First appointed December 2022 | Current term 15 December 2022 – 30 September 2025

MELODY INGRA | BA (Education)**Director****Member – People, Performance and Culture Committee**

Melody is a proud Gooreng Gooreng / Wakka Wakka woman from Yallarm (Gladstone). An experienced Teacher and Company Director with over 25 years practical experience across various industries, government sectors and NGO's. Melody is currently the National Cultural Liaison for Goodstart Early Learning and Chairperson of the Aboriginal and Torres Strait Islander Community Controlled Health Service. She has work in the education sector for over 25 years as a Teacher, Educator, Principal Project Officer and Indigenous Educator Advisor. She was an inaugural Coach for the Indigenous Women in Leadership program and has delivered Aboriginal Cultural Awareness to over 1000 people across the nation. Melody is actively involved in First Nations community's across Queensland, with strong connection to Gladstone being born and raised there as a Traditional Custodian, with family ties to the region.

First appointed October 2022 | Current term 15 December 2022 – 30 September 2025

ACTING COMPANY SECRETARY

Mariette Lansdell | B.Comm (Hons), MBA, CGP, FCP, GAICD

Mariette Lansdell was appointed as Acting Company Secretary from 1 June 2021. Mariette was engaged also the Acting Company Secretary from April 2014 to February 2018. Mariette oversees governance, corporate compliance, internal audit, insurance and records and information management at the Corporation. Mariette is an experienced Company Secretary with a demonstrated history of working in private and government sector. She has over 20 years of experience in Marketing & Sales, Project Management, Audit, Strategy, Risk and Governance.

Stacey Hogarth | B Bus (Mgt), GradDipAppCorpGov, MBA, FGIA, AAICD

Stacey Hogarth was appointed as the Acting Company Secretary on 20 March 2023. Stacey provides corporate governance advice and secretariat support to the GPC Board, and is responsible for corporate governance, compliance, records and information management at the Corporation. Stacey is a fellow of the Government Institute of Australia and has over 15 years' executive experience across Governance, Risk, Compliance, Safety and Human Resources functions in both the public and private sectors.

EXECUTIVE LEADERSHIP TEAM

CRAIG HAYMES

Chief Executive Officer

1 May 2022 – Current

Craig Haymes is a highly experienced civil engineer with more than 30 years of experience in multinational companies across Australia, Canada and the United States. He has held numerous senior executive positions with ExxonMobil and INPEX and been involved in the implementation and operations of major projects and assets in environmentally sensitive areas in multiple regions and countries. Craig has a reputation for leadership, business operations, project management, sustainability performance, corporate governance and all with a focus on environmental protection and maintaining a safe workplace. He is also passionate about volunteering and participating in the community in which he lives and works.

JENELLE DRUCE

Chief Financial Officer

26 June 2022 – Current

Jenelle Druce is a CPA qualified accountant with three decades of experience within the port industry and with Government Owned Corporations (GOC). Jenelle's experience includes Bundaberg Port Authority prior to their amalgamation with Port of Brisbane Corporation Limited and then Gladstone Ports Corporation Limited. Jenelle has a reputation for her in-depth analysis and financial solutions with a commitment to making business numbers transparent and accurate for better business decision-making. She is committed to financial performance of the organisation and compliance with all relevant Acts, Standards and Regulations and delivery of all statutory requirements including financial statements and associated disclosures.

KIM GEBERS**Chief Operating Officer****5 December 2022 – Current**

Kim has a diverse portfolio of executive experience delivering operational and safety improvements including engineering, operations, asset management, production, bulk handling, ports, planning, commercial and resources. Previously the General Manager Terminal Operations for Pilbara Ports Authority, Australia's largest port, he has held senior roles across coal export, general cargo, project cargo, LNG export and other bulk commodity exports, including his time as CEO of Dalrymple Bay Coal Terminal. Kim has previously also served as Chairman for the International Coal Exporting Terminal Operators Association. Kim's experience is complemented by a Bachelor of Engineering and a Master of Business Administration.

BEN HAYDEN**Executive General Manager Asset Management****5 December 2022 – Current**

With a strong background in Asset Management and Maintenance, Ben offers demonstrable experience across strategic asset planning and management, maintenance, project management, efficiency analysis and technical and business risk assessment with safety and integrity, performance targets and operational excellence as the pillars of his style. Previously leading the Callide Power Station, he has also been responsible for the development and implementation of the Asset Management System at Gladstone Power Station, which resulted in an Australian Engineering Excellence Award. Ben's experience is complemented by a Bachelor and Master of Engineering, and a Master of Business Administration.

SHARAD KOHLI**Executive General Manager Marine Operations****1 February 2023 – Current**

Sharad has over 20 years of experience in the ports & maritime and offers a wealth of Harbour Master experience spanning pilotage, towage, ship vetting, shipping movements, Vessel Traffic System operations, Dredging, Hydrographic surveys, and Port security. In his previous role at Mid-West Ports Authority, Sharad was the Harbour Master at the Port of Geraldton overseeing all marine operations which included approvals for two new ports and execution of major dredging projects. He has led multi-disciplinary teams and engaged stakeholders across internal functional teams as well as external parties such as port operators, shipping agents and government agencies. Sharad's experience is complemented by a Master Class 1 Certificate and a Master of Business Administration.

JANE BLACKBOURN**Executive General Manager People****16 January 2023 – Current**

Jane has partnered with executives and leadership teams in all facets of people strategy, performance, talent and development, project and cultural change, workforce strategies and employee relations and specialises in site engagement. She has developed and delivered programs to build organisational and leadership capability and led organisational changes including transformational and cultural change initiatives with Abbot Point Operations, John Holland, BHP, and Rio Tinto. Jane has port experience from her most recent role as the Human Resources Manager for Abbot Point Operations for over 5 years. Jane's experience is complemented by Bachelor of Business Management (Human Resources), a Bachelor of Economics and a Master of Employee Relations.

RICHARD HAWARD

Executive General Manager Safety & ESG

1 November 2022 – Current

Richard is a value driven Sustainability and ESG leader with over 20 years' experience in the port, gas and heavy industry sectors, specialising in sustainability, ESG, climate change, greenhouse gas management, environmental management, regulatory reporting, stakeholder engagement, project management and enterprise risk. Prior to supporting our team at GPC, Richard provided strategic leadership to ESG teams at Origin Energy and Queensland Alumina and collaborated with stakeholders seeking ways to decarbonise the business, developing standard processes and systems to drive consistent and sustainable outcomes. Richard's experience is complemented by a Bachelor of Technology Analytical & Environmental Chemistry and a Post Graduate Certificate in Environmental Management.

ASHLEY DINNING

Executive General Manager Trade and Development

16 January 2023 – Current

Ashley is a transformational senior leader with a strategic commercial mindset, extensive international experience, and has successfully designed and executed strategies to transform operations and propel growth. His senior commercial management career spans 25 years and he has worked both in port authority and terminal environments. He has extensive knowledge of container and bulk terminals and port environments, having held leadership positions at ports in the United States, Australia, Canada and India. He offers a history of building and maintaining successful relationships with various stakeholders including government agencies, community, and customers. Previously the Chief Commercial Officer, APM Terminals Pier 400 in Los Angeles, the largest container terminal in the western hemisphere, he managed strategy and customer relationships and was also heavily involved in the ESG strategy and commitment of the company.

CORPORATE GOVERNANCE

On 13 March 2008, Central Queensland Port Authority (CQPA) was renamed Gladstone Ports Corporation. On 1 July 2008, Gladstone Ports Corporation converted to a Government Owned Corporation (GOC), constituted under the provision of the *Government Owned Corporations Act 1993* (Qld) (GOC Act) and became Gladstone Ports Corporation Limited (GPC) as part of this process. Port Alma also assumed a new trading name, Port Alma Shipping Terminal. On 1 November 2009, the Port of Bundaberg was transferred to GPC, having been a wholly owned subsidiary of the Port of Brisbane Corporation.

GPC is a public company incorporated under the *Corporations Act 2001* (Cth) and subject to the requirements of the GOC Act. Gladstone Marine Pilot Services Pty Ltd (GMPS) is a company incorporated under the *Corporations Act 2001* (Cth) and is also subject to the GOC Act as a wholly owned subsidiary of a GOC. GPC owns all the shares in GMPS. The former GPC subsidiary company Gladstone WICET Operations Pty Ltd (GWO) was deregistered on 13 June 2018.

The Queensland Government is the owner of all shares in GPC. These shares are held equally by two shareholding Ministers:

- Treasurer and Minister for Trade and Investment, the Hon. Cameron Dick MP.
- Minister for Transport and Main Roads and Minister for Digital Services, the Hon. Mark Bailey MP.

GPC is committed to adopting appropriate practices in sustaining economic, environmental and socially focused operations, whilst being consistent with the Queensland Government's Sustainability and ESG reporting requirements. As a Government Owned Corporation, GPC subscribes to a corporate governance framework designed to incorporate the following eight ASX Corporate Governance Principles 4th Edition.

CORPORATE GOVERNANCE PRINCIPLE	DESCRIPTION — GOVERNANCE COMMITMENT
Lay solid foundations for management and oversight	Through its organisational design, policies and procedures, GPC clearly delineates the respective roles and responsibilities of its board and management and discloses how their performance is monitored and evaluated.
Structure the Board to be effective and add value	The Board consists of an appropriate size, composition, skills, commitment and knowledge of the organisation and the industry within which GPC operates, to enable it to discharge its duties effectively and to add value.
Instil a culture of acting lawfully, ethically and responsibly	GPC instils and continually reinforces a culture across the organisation of acting lawfully, ethically and in a socially responsible manner.
Safeguard the integrity of corporate reports	GPC establishes formal and rigorous processes to validate the quality and integrity of its corporate reporting.
Make timely and balanced disclosure	GPC makes timely and balanced disclosure of all matters that have a material effect on the way in which it conducts its operations.
Respect the rights of security holders	GPC provides its shareholders with appropriate information and facilities to allow them to exercise their rights as owners effectively.
Recognise and manage risk	GPC establishes a sound risk management framework and periodically reviews the effectiveness of that framework.
Remunerate fairly and responsibly	GPC designs a remuneration model to attract, retain and motivate high-quality senior executives and employees and to align their interests with the creation of value for shareholders over the short, medium and longer term.

Through its Corporate Governance Framework, GPC is committed to demonstrating effective leadership and accountability in delivering prudent and efficient outcomes aligned to its corporate objectives. Sound and effective governance at GPC will be underpinned by the foundations of:

- Solid corporate performance — our governance framework helps to achieve our corporate performance objectives across all focus areas of the Corporation.
- Accountability — we are held to account under our governance framework, for regulatory and policy compliance, enterprise risk management and corporate conduct based on transparency and integrity.

The GPC Enterprise Risk Management Framework is guided by the principles of ISO 31000 (Risk Management). The framework focuses on the adoption of an enterprise wide system and establishes a standard consistent with ISO 31000. Our strategy setting and business planning cycle engages its Board and Executive Management Team on a cyclical basis to review the strengths, weaknesses, opportunities and threats affecting, or likely to affect, GPC. This process is supported by an ongoing process of reviewing and setting GPC's risk appetite, in consultation with our key stakeholders and shareholders. GPC's extensive and comprehensive risk management framework has been developed to guide decision-making, to allocate resources to the level of risk which is considered acceptable and the requirements for escalation and reporting. The Risk Appetite Statement is a 'trigger for decision-making, escalation and reporting (as applicable) versus being a 'rule-based parameter'.

COMMITTEE MEMBERSHIP

The Board established an Audit and Risk Committee (ARC) and a People Performance and Culture Committee (PPCC). Memberships of the Committees are:

- **Audit and Risk Committee (ARC):** Grant Cassidy OAM – Chairperson, Dr Anthony Lynham, Dr Prins Ralston, Dr Poya Sobhanian, Paul Binsted.
- **People, Performance and Culture Committee (PPCC):** Ryl Gardner – Chairperson, Peta Jamieson, Dr Anthony Lynham, Paul Heagney, Melody Ingra.

PRINCIPLE 1: Lay solid foundations for management and oversight

Our Directors are appointed by the Governor in Council, pursuant to the GOC Act. No director is subject to retirement by rotation. The Board is supported by two sub committees, the Audit and Risk Committee (ARC) and the People Performance and Culture Committee (PPCC). The criteria for Board membership are in accordance with the GOC Act.

Roles and responsibilities of the Board

The Board provides leadership and sets the strategic objectives of GPC. The Board assumes overall responsibility for corporate governance practices within GPC and monitors the performance of the corporation, its management and employees. The Board, in conjunction with the CEO, establishes and implements GPC's operational, financial and strategic direction as outlined in the one year (SCI 2022–2023), five years (Corporate Plan 2021–2026) and long-term (50 year Strategic Plan 2012–2062) plans. Ongoing Government, customer, community and employee consultation assists the Board to enact the corporate objectives defined in these plans.

Induction of new members and continuing professional development

A comprehensive Directors' induction is carried out for new Directors appointed to the Board. This includes a site visit to familiarise new Directors with our operations. As part of the induction process, information and briefings are also provided. These cover enabling legislation, corporate planning

documents, relevant policies and detail of Board administrative arrangements.

Directors are kept advised of relevant industry related seminars and conferences available to update their skills and knowledge. Directors are also encouraged to attend workshops and seminars as part of a continuing professional development policy to enable them to undertake their role effectively.

Our organisation

The organisational structure is the framework within which GPC makes responsible, accountable decisions, supported by expert advice and the assurance provided by internal and external audit services. The CEO leads the management team and is responsible for GPC's organisational structure. The structure is approved by the Board. The CEO is directly responsible to the Board for the administration of the organisation.

CEO and Executive Leadership Team Performance Review

In accordance with Corporate Governance Guidelines for GOC's and GPC's Corporate Governance Framework. Probation reviews for new executives (where applicable) and performance plans were conducted periodically throughout the 2022/2023 year for the CEO and Executive Leadership Team.

PRINCIPLE 2: Structure the Board to be effective and add value

Board meetings

The Chair and CEO discuss and finalise the agenda for each meeting; standing items may include:

- Apologies, declarations of interest or pecuniary interest and minutes of previous meetings;
- Management action list;
- Matters for decision;
- Matters for discussion including monthly CEO and CFO reports;
- Strategic topic; and
- Correspondence.

Meetings may include presentations by GPC employees or invited guests. Board papers are circulated in digital format one week before the meeting to provide sufficient time for review of agenda items and enable Directors to request additional information to support them in their decision-making.

Board committees

The Board may delegate its powers to a committee of Directors. GPC has two committees: Audit and Risk Committee (ARC) and People, Performance and Culture Committee (PPCC). One director on each committee is appointed Committee Chairperson by the Chair of the Board. Elected Management personnel also attend these meetings. GPC's external and internal auditors have a standing invitation to attend Committee meetings.

Director independence

Each Director must declare their material interests to GPC, to allow for the identification of any areas of activity that may lead to a conflict of interest. A declaration of Directors' other interests is a standing agenda item at the commencement of every Board and Committee meeting. Directors absent themselves from meetings while any matters of potential conflict of interest are discussed. In accordance with its Charter, the Board (at least annually) ensures that the independence criterion as set out in the Charter is satisfied for each director.

The following materiality thresholds apply to the above definition of independence:

- A material professional advisor or consultant is one whose fees to GPC in a financial year exceed \$100,000;
- A material supplier is one whose sales to GPC in a financial year exceed 2 per cent of the value

of GPC's total purchases including capital expenditure;

- A material customer is one whose purchases from GPC in a financial year exceed 2 per cent of GPC's gross revenue;
- A material contractual relationship, other than any of those described above, is one in respect of which the consideration payable under the contract exceeds \$100,000.

Materiality is assessed on a case-by-case basis from the perspective of both GPC and the relevant director having regard to the director's individual circumstances.

Gaining independent advice

Independent professional advice at GPC's expense is available to the Board and individual Directors to assist them in carrying out their designated duties.

Board performance review

The Board, as part of its governance process, has committed to ensuring it regularly reviews its collective skills and performance. The Chair conducts a review of Board skills annually to identify current and future needs. Performance of the Board, its Committees and individual Directors are reviewed and evaluated annually.

Directors participate in these processes, with an externally verified board skills matrix provided to the Chair for consideration. An annual Board Performance Evaluation is also conducted in June each year for feedback to Directors in September. The Board Performance Evaluation provides insight to how the Board is meeting its objectives and highlights areas for continued focus.

Reports are provided to shareholding Ministers on the outcome of both the annual board skills review and board performance evaluation. Whilst the Chair does not himself have the right to appoint Directors, it is acknowledged that shareholding Ministers consider this feedback and collective board skill requirements when appointing Directors.

Directors' attendance at 2022/23 Board meetings were in accordance with their individual terms of appointment to the Board. Details are disclosed within the Notes to the Accounts.

GPC's ethical standards such as the Code of Conduct, Fraud and Corruption Policy, Enterprise Risk and Resilience Policy, and the means by which we implement them, form part of the induction for all new Board members and employees. Updates are provided as new policy developments occur and as part of our CEO's annual business update sessions. Policies are available on the GPC intranet.

PRINCIPLE 3: Instil a culture of acting lawfully, ethically and responsibility

Code of Conduct

A Code of Conduct has been developed and formally adopted by the Board. The code gives detailed advice on the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. It also provides comprehensive examples to illustrate application of the code. Employees are reminded of their obligations under the code during annual business update sessions presented by the CEO. The code reflects the requirements of the *Public Sector Ethics Act 1994* (Qld).

Fraud and corruption prevention

Fraud and corruption prevention applies to all our Directors and employees. A policy was developed to assist management and employees in the discharge of their responsibilities by setting out the procedures for managing fraud and corruption.

The Company Secretary is the Fraud Control Officer for the purposes of the policy. All incidences of theft and related activity are reported to the Audit and Risk Committee by the Fraud Control Officer on a regular basis for consideration of fraud control initiatives. Online training is available to employees, who are also reminded of their obligations under this policy at the annual business update sessions.

Procedure on Public Interest Disclosure

The *Public Interest Disclosures Act 2010* (Qld) (PID Act) came into effect on 1 January 2010. The PID Act creates an obligation on GPC to implement reasonable procedures to deal with Public Interest Disclosures (PIDs). As stated in GPC's PID Procedure, GPC is committed to creating and maintaining a workplace where strong ethical standards are upheld and displayed through employee behaviour.

This includes the reporting and management of misconduct and reprisal, legally referred to as a Public Interest Disclosure (PID).

The PID Procedure outlines that the Company Secretary is the PID Officer for the purposes of the Procedure and GPC as a whole. GPC's PID Procedure outlines how to determine if a PID exists, how to make a PID, how to record a PID, how the PID is assessed and how to manage that PID. All PIDs and related activities are recorded by the PID Officer in a PID Register for audit purposes and reported to the Audit and Risk Committee by the PID Officer on a regular basis.

GPC's Whistleblower's reporting Hotline

All suspected and actual misconduct and reprisal action must be reported in accordance with the PID procedure. Under GPC's Code of Conduct, all employees are required to report any reasonably based suspicion of theft, fraud, assault, corruption and/or official misconduct to their manager, another appropriate officer of GPC, the PID Officer or through GPC's confidential reporting Hotline (1800 063 408), or through the Crime and Corruption Commission. While GPC's Whistleblower reporting Hotline is intended primarily to be a service for employees, contractors and customers of GPC, the same reporting channel is available to the community, to raise issues and concerns. No calls to the Hotline will be dismissed on the basis of their source. The service is provided externally by Deloitte.

Right to information and information privacy

During the reporting period, GPC received one request for information in accordance with the *Right to Information Act 2009* (Qld) and *Information Privacy Act 2009* (Qld). The request remained open on 30 June 2023.

PRINCIPLE 4: Safeguard the integrity of corporate reports

The Audit and Risk Committee is attended and assisted by the CEO and the CFO. The internal and external auditors are invited to attend Committee meetings to present relevant reports and to openly discuss any concerns with the Committee, without management influence. The responsibilities of the

Audit and Risk Committee include, but are not limited to:

- Following the internal audit charter, and overseeing the internal audit and compliance functions of GPC;
- Making recommendations on the results of various internal audit reviews carried out throughout the year;
- Making recommendations based upon the reports of the external auditors;
- Reviewing and approving the annual financial statements.

The Audit and Risk Committee operates under a charter established by GPC's Board. During 2022/23, the Committee reviewed and observed the terms of its charter and had due regard to Queensland Treasury's Audit Committee Guidelines.

External audit arrangements

GPC, in accordance with the *Auditor General Act 2009* (Qld), engages the Queensland Audit Office (QAO) as its external auditor. The Auditor-General of Queensland, an independent Officer of Parliament, is the external auditor of government public sector entities in Queensland. The independence of the position, mandated by law, means that the Auditor-General and staff of the QAO have unfettered access to government entities and can examine and report to Parliament on the efficiency and effectiveness of any aspect of public sector finances and administration.

QAO officers conduct regular reviews and assessments of GPC's internal control environment, including financial management. Implementation of the QAO's recommendations targeting improvements to GPC's financial and related processes and systems are closely monitored by the Audit and Risk Committee and the executive management team.

The QAO has conducted its annual independent assessment of GPC's finances and operations and concluded that the general purpose financial statements contained in this annual report present a true and fair view of GPC's financial position as at 30 June 2023.

Internal audit

Internal audit is an independent function that assists the Board and management in the effective discharge of their responsibilities.

The Audit and Risk Committee defines the internal auditors' scope of work through establishment of an annual internal audit plan.

The Committee also reviews the reports of the internal auditors and assesses their quality of work. Deloitte was appointed GPC's internal auditors from 1 January 2021 with the contract expiring on 31 December 2023.

Dividend policy

GPC's Dividend Policy takes into account the return that shareholders expect from their investment and the ongoing capital investment requirements of our business. In 2022/2023, the Board resolved to make a dividend payment of 100 percent of adjusted net profit after tax, and a special dividend payment of \$25M.

Records management

GPC is aware of its responsibilities under the *Public Records Act 2002* (Qld) and in 2015/16 GPC formulated an Information Management Policy, Records Management Standard and Archive Management Procedure in line with ISO40 recordkeeping used under the *Financial Accountability Act 2009* (Qld) to improve recordkeeping practices. This will ensure that operational business needs, legal, evidential and accountability requirements are met and stakeholder expectations are fulfilled. GPC is currently reviewing its Records Management framework for continuous improvement outcomes.

Summary of directions and notifications given to the Board by shareholding Ministers

During the 2022/23 financial year GPC received a direction under the *Government Owned Corporations Act 1993* Section 131(3)(b) in relation to the payment of a dividend that is the sum of:

- (a) 100 percent of net profit after tax for the 2022-2023 financial year after final audit adjustments; and
- (b) \$25M.

Under section 114 of the *Government Owned Corporations Act 1993*, GPC were notified that from

31 March 2023, that the public sector policy entitled *Ethical Supplier Mandate* is to apply.

PRINCIPLE 5: Make timely and balanced disclosure

Corporate planning and disclosure

GPC presents an annual SCI and 5 year Corporate Plan to shareholding Ministers annually. The SCI forms the basis of the agreement between GPC and shareholding Ministers. Performance reports are presented quarterly to shareholding Ministers. Reports against key performance indicators are provided to the Board on a monthly basis. In addition, the CEO regularly advises the shareholding Ministers' departments on developing projects and GPC's proposed actions. This is also supported through written briefings as required.

PRINCIPLE 6: Respect the rights of shareholders

This principle requires GOCs to respect the rights of shareholding Ministers and their representatives, having regard to the requirements of responsible government. As a GOC, GPC at all times seeks not only to comply with statutory and legal requirements but to go beyond where relevant. GPC provides the shareholding Ministers with regular reports and engages closely with the various departments within the ministerial offices. In addition, GPC publishes information about its governance and operations on its corporate website.

PRINCIPLE 7: Recognise and manage risk

Our Board retains ultimate responsibility for risk management and for determining the appropriate level of risk that the Board is willing to accept in the conduct of our business activities. The CEO provides the interface between the business units and the Board.

Overall, the CEO has the ultimate responsibility for maintaining a Board-endorsed, robust corporate risk management system within GPC that through transparency in reporting reflects the true state of business risk exposure.

Including effectiveness of GPC's management of its material business risks, the management team

conducts risk reviews and reports the outcomes of the review to the Board. GPC is committed to:

- Behaving as a responsible corporate citizen, protecting employees, customers, contractors and their property, as well as the community and the broader environment from unnecessary injury, loss or damage.
- Achieving our business objectives by minimising the impact of risks we can meaningfully and realistically control which would otherwise significantly affect our assets and earnings.
- Finding the right balance between the cost of control and the risks we are willing to accept as the legitimate grounds for earning reward.

The Corporation's Risk Management Framework provides the basis for departments to identify, assess, measure, manage, monitor and report on their risks. The Framework is supported by a number of key corporate policies and procedures.

The Audit and Risk Committee's risk responsibilities include, but are not limited to:

- GPC's risk appetite and risk tolerance, as determined by the Board on a holistic enterprise wide basis, and with respect to relevant categories of operational risk.
- Assessment of the likelihood of occurrence, severity of impact of those risks, and any mitigating measures affecting those risks.
- The responsibility for risk oversight and management of specific risks to ensure a common understanding of accountabilities and roles.
- The risk treatment and mitigation policies and procedures developed by management, including procedures for periodic and critical reporting of matters to the Board and the Committee.
- Management's implementation of GPC's risk treatment and mitigation policies and procedures, to assess compliance and effectiveness.
- Overseeing the ethical conduct and governance functions of GPC.

PRINCIPLE 8: Remunerate fairly and responsibly

The People, Performance and Culture Committee is assisted and attended by the CEO and CFO.

The Committee's responsibilities include, but are not limited to:

- Monitoring and implementing recommendations relating to salaries and Enterprise Agreements;
- Reviewing reports and overseeing the implementation of recommendations arising from audits and reviews of systems and processes;
- Providing strategic direction for human resource management, training, planning and development;
- Making recommendations to the Board on remuneration issues.

GPC and its subsidiary company Gladstone Marine Pilotage Services (GMPS) are covered by three (3) Enterprise Agreements. Including GPC Enterprise Agreement 2020; the Gladstone Marine Pilot Agreement 2017 and the Gladstone Pilot Transfer Crew Agreement 2017.

Executive Remuneration is set in line with GOC issued guidelines, Chief and Senior Executive Arrangements. GPC also has an Executive Management Team Remuneration Policy which takes into account the GOC guidelines. GPC's Executive are remunerated according to those requirements with an external annual review of market rates conducted by Mercer in June, any suggested increase is submitted to Board for consideration. SHM are then informed of any approved changes. Approval is required if recommended increases are outside of those guidelines.

People, Performance and Culture Committee (PPCC) Charter is on the GPC website, this is GPC's equivalent to a Remuneration Committee.

Terms and definitions

Term	Definition
A	
APLNG	means Australia Pacific LNG.
Asset	means a physical item and its related programs and controls that has potential or actual value to GPC. This includes equipment, software, inventory and property owned by GPC.
Asset Management or AM	means, in accordance with ISO55000, the coordinated activities undertaken to realise value from Assets. This value can be tangible or intangible, and financial or non-financial, therefore is holistic and considers all activities, rather than separate or individual components or contributions.
Audit	means a formal, documented examination of systems, procedures and practices to verify their compliance with the requirements of GPC's management systems.
Audit, Assurance and Continuous Improvement or AACI	means Audit, Assurance and Continuous Improvement.
ARC	means the Audit and Risk Committee [Note: formerly the Finance, Investment, Commercial and Audit Committee].
B	
B2G	Brisbane to Gladstone Yacht Race.
BPT	means Barney Point Terminal.
Board	means the Board of GPC and/or GMPS.
BMRG	Means Burnett Mary Regional Group.
BSL	means Boyne Smelters Limited.
C	
Change	means the alteration to the current state of any plant, process, system, structure or role by addition, modification or removal.
Chief Executive Officer or CEO	means the Chief Executive Officer of GPC or the person assigned to perform that role.
Chief Financial Officer or CFO	means the Chief Financial Officer of GPC or the person assigned to perform that role. [Note: formerly the Commercial General Manager].
Chief Operating Officer or COO	Means the Chief Operating Officer of GPC or the person assigned to perform that role.
CHRS	means Capricorn Helicopter Rescue Service
Cintellate	means GPC's nominated Incident Management System.
CIP Agreement	means the agreement entered into between GPC and the priority partner or community partner that will govern the terms of the partnership or sponsorship.
CIP Panel	means the group of GPC Representatives established to assess applications for support under the grants and donations category of the Community Investment Program.
Committee	means a committee established by the Board in accordance with the Constitution.
Community Investment Program	means GPC's structured program of: <ul style="list-style-type: none"> (a) monetary support, which is provided through partnerships, sponsorship, grants and donations; and (b) in-kind support, which is provided by the investment of time, education or other resources, <p>which is for the purpose of providing a benefit to the local port communities of Gladstone, Rockhampton and Bundaberg as well as the broader Queensland community.</p>
Company Secretary	means the company secretary of GPC or GMPS.
Confidential Information	means information that relates to the business, assets or affairs of GPC or any GPC Representatives, Contractors, Consultants or Customers, but does not include information that is in or becomes part of the public domain other than as a result of a breach of an obligation of confidence.
Conflict of Interest	is a conflict between a GPC Representative, Contractor, Consultant or labour hire employee's Official Duties and Private or Personal Interests such that an independent

	<p>observer, properly informed, might reasonably consider that the person’s professional actions or decisions are improperly influenced by the Private or Personal Interests. A Conflict of Interest can be actual, perceived or potential as follows:</p> <p>(a) an actual conflict of interest involves a direct conflict between a person’s Official Duties to GPC and existing Private or Personal Interests;</p> <p>(b) a perceived conflict of interest can exist where it could be perceived or it appears that a person’s Private or Personal Interests do or could improperly influence the performance of their Official Duties to GPC – whether or not this is in fact the case; and</p> <p>(c) a potential conflict of interest arises where a person has Private or Personal Interests that could conflict with their Official Duties to GPC in the future.</p> <p>A Conflict of Interest can also arise where a GPC Representative, Contractor, Consultant or Labour Hire Worker has multiple roles (such as with other organisations), and there is a conflict between that person’s Official Duties to GPC and other duties.</p>
Constitution	means the constitution of GPC and/or GMPS.
Consultant	means a person who provides professional or expert advice under an arrangement (other than an employment arrangement) with GPC or GMPS.
Continuous Improvement	means the process of establishing objectives, and finding opportunities for improvement is a continuous improvement process, through the use of Audit findings and Audit conclusions, analysis of data, management reviews or other means and generally leads to corrective action or preventive action.
Contract and Expenditure Committee or CEC	means Contract and Expenditure Committee.
Contractor	means a person who provides services to GPC or GMPS under a contract (other than an employment contract). Typically a Contractor submits an invoice for work completed and then receives payment.
Corporate Plan	means the corporate plan required to be developed by a GOC under section 94 of the GOC Act.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
CPL	means Choice. Passion. Life.
CQUni	means Central Queensland University.
CQPA	means Central Queensland Port Authority.
CUI	means Common User Infrastructure
Customer	means a respective company who has entered into contracts with GPC in relation to the handling, storage and shiploading of bulk products through RG Tanna Coal Terminal, Port Central Auckland Point and Port Central Barney Point.
D	
Director	means a director of the Board.
DPAC	means Darumbal People Aboriginal Corporation
E	
Employee Development Committee or EDC	means Employee Development Committee
EMP	means environmental management plan.
Employee*	<p>means any person employed by GPC or GMPS to perform work on either a full-time, part-time or casual basis in exchange for payment.</p> <p>*Contractors, Consultants and Labour Hire Workers are not Employees. Officers may or may not be Employees. If a document or part of a document needs to apply to Directors and/or other Officers use the defined term ‘Director’ (if it applies only to Directors), ‘Officer’ (if it applies to all Officers) or ‘GPC Representative’ (if it applies to all Officers and Employees).</p>
Engagement	means a planned process with the specific purpose of working with individuals and groups to encourage active involvement.
EOI	means Expression of Interest.
ERP	Enterprise Resource Planning
ESG	Means Environmental, Social and Governance.

Executive General Manager Marine Operations or EGMMO	means the EGM of the Marine Operations portfolio of GPC or the person assigned to perform that role.
Executive General Manager People or EGMP	means the EGM of the People portfolio of GPC or the person assigned to perform that role. [Note: formerly the People, Community & Sustainability General Manager; and Executive General Manager People and Community].
Executive General Manager Safety & ESG or EGMS&ESG	means the EGM of the Safety, Environmental, Social and Governance portfolio of GPC or the person assigned to perform that role.
Executive General Manager Trade & Development or EGMT&D	means the EGM of the Trade and Development portfolio of GPC or the person assigned to perform that role.
Executive Leadership Team or ELT	means the: (a) CEO; (b) CFO; (c) COO; (d) Executive General Manager Asset Management; (e) Executive General Manager Marine Operations; (f) Executive General Manager People; (g) Executive General Manager Safety & ESG; and (h) Executive General Manager Trade & Development. [Note: formerly the Executive Management Team]
Executive Management Team or EMT	means the: (a) CEO; (b) CFO; (c) Port Strategy & Development General Manager; (d) Asset Management & Project Services General Manager; (e) Operations General Manager; (f) Executive General Manager People and Community; and (g) General Counsel.
F	
Facilitator	means under the GPC governance structure, the Facilitator is accountable for proposing system design or redesign and facilitation of conformance.
FGS	means fine-grained sediment.
Framework	means broad overview, outline, or skeleton of interlinked items which supports a particular approach to a specific objective, and serves as a guide that can be modified as required by adding or deleting items.
G	
General Counsel or GC	means the General Counsel of GPC.
GCYC	means Gladstone Cruising Yacht Club.
Gift and/or Benefit	means anything of value, including gifts, offers of employment, cash or cash equivalents (e.g. gift vouchers or loans), training, sponsorships, hospitality like invitations to business meals, entertainment, receptions, sports and cultural events hosted in a business context, donations or scholarships, the provision of favours (e.g. discounted or 'free' use of GPC's services, facilities or property), as well as circumstances where GPC pays the travel expenses (for example, flights, accommodation and living expenses) of individuals. It also includes 'free' services, flowers, wine, tickets to events and the like, which are given to an individual.
General Manager or GM	means an Executive General Manager of GPC.
GHG	means Greenhouse Gas.
GLNG	means Gladstone LNG.
GMPS	means Gladstone Marine Pilot Services Pty Ltd.
GOC	means a Government Owned Corporation as that term is defined in the GOC Act.
GOC Act	means the <i>Government Owned Corporations Act 1993</i> (Qld).
Governance Document	means an internal document that sets out the rules, systems and processes by which GPC is governed and the consequences of non-compliance with these rules, systems and processes. Operation Documents and Risk Documents are not Governance Documents. A Governance Document must:

	<p>(a) respond to a compliance need, such as compliance with overarching legislative and regulatory requirements or international and Australian standards;</p> <p>(b) directly support a Board directive or mandate, such as the requirement to observe a minimum level of conduct in all business dealings; or</p> <p>(c) provide specific guidance on the overarching principles set out in a Policy.</p>
GPC	means Gladstone Ports Corporation Limited and any other wholly-owned subsidiaries / the broader corporate group, as applicable.
GPC Representatives*	means all Officers and Employees. *Contractors, Consultants and Labour Hire Workers are not GPC Representatives.
GRC	means Gladstone Regional Council.
GWO	means Gladstone WICET Operations Pty Ltd
H	
H2GP	means Horizon Hydrogen Grand Prix
Hazard or hazard	means a potential source of harm.
HR	means Human Resources.
I	
ILUA	means Indigenous Land Use Agreement.
Incident	means occurrence or change of circumstances that has caused or has potential to cause (i.e. a near miss), harm to people, the environment, property or infrastructure - but not to the level of an emergency event.
Instruction	means a Governance Document that describes the specific step-by-step details of a particular task.
IOM	means International One Metre
IOMICA	means IOM International Class Association
L	
Leader	means the immediate manager of the Employee.
LGAQ	means Local Government Association of Queensland
Life Saving Commitment or LSC	means expected behaviour required before, during and after work so that we can return home safely for the moments that matter. Our Life Saving Commitments are a set of clear statements that empower you to take personal responsibility for your safety. They are not rules and they do not replace our safety Policies, Standards or Procedures.
LMDMP	means Long Term Maintenance Dredging Management Plans
LNG	means Liquefied Natural Gas
LUP	means Land Use Plan
M	
M	means Million.
Manager	means a person with that title that reports directly to an Executive General Manager (the equivalent of “Superintendent”).
Material Risk	means a hazard with the potential of a single fatality or higher.
MIA	means Marina Industry Association.
MOU	means Memorandum of Understanding.
MSQ	means Maritime Safety Queensland.
Mt	means Million Tonnes.
N	
NGER	means National Greenhouse and Energy Reporting.
NGO	means Non-Governmental Organisations.
O	
Officer	<p>includes a Director or Company Secretary of GPC or GMPS or a member of the ELT. An Officer is also a person:</p> <p>(a) who makes, or participates in making, decisions that affect the whole, or a substantial part, of GPC; or</p> <p>(b) who has the capacity to affect significantly GPC’s financial standing; or</p>

	(c) in accordance with whose instructions or wishes the directors of GPC are accustomed to act (excluding advice given by the person in the proper performance of functions attaching to the person's professional capacity or their business relationship with the Directors or GPC).
Official Duties	means day to day activities performed by GPC Representatives, Contractors, Consultants and Labour Hire Workers as part of their role accountabilities and responsibilities in relation to GPC.
Organisational Culture	means the collective beliefs, values, attitudes and behaviour of an organisation that contribute to the unique social and physiological environment in which it operates.
Organisational Resilience	means the ability of an organisation to absorb and adapt in a changing environment.
Our People	means members of the Board, Employees, Contractors, and Consultants, and everyone who does work for GPC, while they are doing work for GPC.
P	
PCCC	means Port Curtis Coral Coast
PID	means Public Interest Disclosure
Plan	means an arrangement, pattern, program, or scheme for a definite purpose and explains in detail how a Standard or Strategy will be executed.
Policy	means a Governance Document that sets out GPC's commitment to GPC Board directives, legislative and regulatory requirements, Government directives and good business practice.
PMBBB	means Pacific Marine Base Bundaberg
PoB	means Port of Bundaberg
PoM	means Port of Maryborough
PORT	means Pause, Observe, Risk Identification, Treat Risk - a safety risk assessment tool used to record the hazard identification and risk control process before conducting simple or routine tasks and to record updates of conditions as they change throughout a job.
Port Land	means GPC owned, operated or managed land at: (a) the Port of Gladstone, including the Gladstone Marina and its recreational parklands; (b) the Port of Rockhampton; and (c) the Port of Bundaberg.
Port Strategy & Development General Manager	means the GM of the Port Strategy & Development portfolio of GPC or the person assigned to perform that role.
PPCC	means the People, Performance and Culture Committee.
Private or Personal Interests	means those private, professional or business interests that can benefit or disadvantage us as individuals, or others we may wish to benefit or disadvantage. They also include the personal, professional or business interests of individuals or groups we associate with. Private or Personal Interests include a wide range of external activities, including financial and economic interests, family or private businesses and interest groups and involvement in other employment, and can be pecuniary or non-pecuniary as follows: (a) a pecuniary interest involves an actual or potential financial gain or loss. It may result from the GPC Representative, Contractor, Consultant, Labour Hire Worker or related party owning property, holding shares, holding a position in a company bidding for GPC work, accepting gifts or hospitality, or receiving an income from a second job. Money does not actually have to change hands for an interest to be pecuniary. (b) a non-pecuniary interest does not have a financial component, but may arise from personal or family relationships or involvement in sporting, social, community or cultural activities. They include any tendency toward favour or prejudice resulting from friendship, animosity or other personal involvement that could bias your judgement or decisions.
Procedure	means a Governance Document that sets out how business and activities are performed or conducted (and the role or work streams involved) to ensure that a Policy and the associated

	Standard or Strategy (as applicable) is successfully implemented in connection with a specific business operation.
Q	
QAL	means Queensland Aluminium Limited
QAO	means Queensland Audit Office
QCLNG	means Queensland Curtis LNG
R	
Record	means any information created, received, and maintained in written form, on film, by electronic means or in any other manner as evidence of decisions made, transactions or in pursuance of legal obligations.
RCA	means Reconciliation Action Plan
RGCT	means the RG Tanna Coal Terminal.
Risk	means the effect of uncertainty on the achievement of objectives. The effect is a deviation from expected outcomes and can be of a positive or negative nature. This measurement of Risk is in the assessment of likelihood and consequences arising from an event.
Risk Assessment	involves considering what could happen if someone is exposed to a hazard and the likelihood of it happening. A risk assessment can be undertaken with varying degrees of detail depending on the type of hazards and the information, data and resources that you have available.
Risk Based Maintenance or RBM	prioritises maintenance resources toward assets that carry the most risk if they were to fail. This aims to optimise maintenance effort across a facility, in order to minimise any risk of a failure.
Risk Document	means a document which provides a practical response to a specific identified risk to or within GPC (e.g. safe use of ladders and electrical tagging of equipment) rather than compliance with broad legislative, regulatory or Policy requirements.
Risk Management	means the holistic management process that identifies potential threats to an organisation and the impacts to business operations. It measures the capability of the organisation to continue delivery of its products or services at acceptable predefined levels following a disruptive incident.
RRC	means Rockhampton Regional Council
S	
SAI360	means a risk management module that forms part of GPC's document management system.
SCI	Means Statement of Corporate Intent
Shareholding Ministers	has the meaning given to 'shareholding Ministers' in the GOC Act.
Specification	means a Governance Document that is a detailed, exact statement of particulars describing project or work task deliverables in terms of appearance, operational constraints, materials, dimensions or quality attributes.
Stakeholder	means describes members of a local community or the general public including residents, business owners, community groups and organisations. It may also be used to describe Employees, Contractors, Consultants, professional associations and levels of government and government agencies.
Stand-Alone Change	means a Change that has a known solution, that is relatively simple and has funding established in the current SCI period. If a Change does not fit this description, it will be managed as part of a project proposal. A Stand-Alone Change will apply generally to problems requiring a minor Change and not to opportunities/innovation.
Standard	means a Governance Document that describes what GPC will do (including minimum business requirements and principles) to meet the broader objectives set out in an associated Policy.
Statement of Corporate Intent or SCI	has the meaning given to it in section 7 of the GOC Act.
STL	means Sugar Terminal Limited
Strategic Asset Management Plan or SAMP	means documented information that specifies how organisational objectives are to be converted into asset management objectives.
SSMP	means Sustainable Sediment Management Project

Strategic Risks	means those corporate risks which could impact the achievement of GPC's strategic objectives including: (a) vision and goals; (b) corporate plan objectives; and (c) commitments defined in the annual Statement of Corporate Intent.
Strategy	identifies what GPC will do to meet one or more business objectives outlined in a Policy.
Superintendent	means a person with that title that directly reports to a Executive General Manager (the equivalent of "Manager").
Supervisor	means a person in control of a workplace with the responsibility for overseeing activities at the workplace. (Example: foreman, ganger, leading hand, team leader, overseer).
System	means: (a) a set of detailed methods, procedures and routines created to carry out a specific activity, perform a duty, or solve a problem; or (b) an organised, purposeful structure that consists of interrelated and interdependent elements. These elements continually influence one another (directly or indirectly) to maintain their activity and the existence of the System, in order to achieve the goal of the System.
T	
TMR	means Transport and Main Roads.
TSHD	means Trailing Suction Hopper Dredger.
W	
WHS	means Work Health and Safety.
WHS Act	means the <i>Work Health and Safety Act 2011</i> (Qld).
WHS Regulation	means the <i>Work Health and Safety Regulation 2011</i> (Qld).
WICET	means Wiggins Island Coal Export Terminal Pty Ltd
Worker	means a person who carries out work or performs a work activity for GPC in any capacity, as defined in section 7 of the <i>Work Health and Safety Act 2011</i> (Qld).



**Gladstone Ports
Corporation**

Growth, prosperity, community.

Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

GLADSTONE PORTS CORPORATION LIMITED

ACN 131 965 896

PURPOSE AND SCOPE

Gladstone Ports Corporation Limited (GPC) is a company Government Owned Corporation (GOC), constituted on 1 July 2008 under the provisions of the *Government Owned Corporations Act 1993* (the Act).

These statements have been prepared to:

- (i) Comply with the provisions of the *Corporations Act 2001*, and other prescribed requirements
- (ii) Comply with the provisions of the *Financial Accountability Act 2009* and other prescribed requirements
- (iii) Communicate information concerning GPC's financial performance for the year and its financial position at year end.

The statements are general purpose in nature and provide a full presentation of all the financial activities of GPC. The consolidated financial statements of GPC for the year ended 30 June 2023 was authorised for issue to shareholding Ministers in accordance with a resolution of the Directors on 25 August 2023.

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DIRECTORS' REPORT

The Directors present their report together with the auditor's report and the consolidated financial statements of Gladstone Ports Corporation Limited (GPC), being Gladstone Ports Corporation Limited (the parent) and its controlled entity (Gladstone Marine Pilot Services Pty Ltd) for the year ended 30 June 2023.

The Board comprises non-executive Directors with diverse business experience as well as community leadership roles. The criteria for membership of the Board are in accordance with the *Corporations Act 2001* and the *Government Owned Corporations Act 1993*. The *Government Owned Corporations Act 1993* requires that, in appointing a person as Director, the Governor in Council must have regard to that person's ability to contribute to the Group's commercial performance and implementation of its Statement of Corporate Intent (SCI). Directors are appointed for a term of not more than five years but may be re-appointed.

In order to comply with the provisions of the *Corporations Act 2001* the Directors submit their report for the year ended 30 June 2023.

DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Name and qualifications Experience and skills

Dr Anthony Lynham
BDSC BMed (Hons), FRACDS (OMS)
FRCS Ed, GAICD

Chair

Member – Audit and Risk Committee
 Member – People Performance and Culture Committee

The Honourable Dr Anthony Lynham is a maxillofacial surgeon with extensive experience in ministerial and policy oversight of Queensland's major publicly owned utilities and key infrastructure projects.

Dr Lynham began his surgical career in Queensland and became recognised here and internationally for his work in the surgical management and prevention of maxillofacial trauma.

In 2014, he was elected as the Member for the Electorate of Stafford before serving as a Senior Minister in the Queensland Government.

Dr Lynham is well known for his tenacious work in improving working conditions and driving investment in our state's resources industry. Under his leadership the most significant reforms in mining health and safety that our state has seen were introduced protecting our workers now and into the future.

First appointed August 2021

Current term 26 August 2021 – 30 September 2025

Name and qualifications	Experience and skills
<p>Grant Cassidy OAM FAICD</p> <p><i>Director</i> Chair – Audit and Risk Committee</p>	<p>Grant is an experienced Company Director and a long-term resident and business owner in Central Queensland. For the past 21 years Grant has been Managing Director of his private businesses operated under the Cassidy Hospitality Group banner. Grant’s previous 15-year career in the media industry provided him with an in-depth knowledge of sales, marketing and media management. As a very active and long-term contributor to the area’s community organisations, Grant understands local Central Queensland issues, having been Chairman and Capricorn Enterprise (the regions peak Tourism and Economic Development organisation) for 10 years, as well as, a former serving Board Director at Tourism Queensland, also chairing their Audit and Risk Committee. He also served on Boards with CQUniversity and Rockhampton Girls Grammar School. Grant is the current Chairman of Regional Development Australia Central and Western Queensland; Vice Chairman of Beef Australia and Chairman of the Rockhampton Salvation Army Red Shield Business Appeal. Grant is also a Director of the Northern Australia Infrastructure Facility Board and is Chair of the People and Remuneration Committee. He is a Fellow of the Australian Institute of Company Directors.</p>
	<p>First appointed October 2015 Current term 13 October 2022 – 30 September 2023</p>
<p>Peta Jamieson GradCertBA, BA (Hons), BA, MScEnvMgt, GAICD</p> <p><i>Director</i> Member – People Performance and Culture Committee</p>	<p>Peta has over 25 years’ experience working for and with all levels of government and has a breadth of both executive and operational experience and a clear understanding of how government, its policies and processes work. During her career Peta was a driver of the microeconomic reform of local governments while working for the Queensland Government, with a focus on financial sustainability and capacity-building campaigns for all councils. Peta is a strong advocate for the Bundaberg and Wide Bay Burnett region. Peta is also Chair of the Wide Bay Hospital and Health Board and member of its Finance Committee, Executive Committee, Audit & Risk Committee and Safety & Quality Committee.</p>
	<p>First appointed October 2015 Current term 13 October 2022 – 30 September 2023</p>
<p>Dr Poya (PJ) Sobhanian BDSc (UQ), GAICD</p> <p><i>Director</i> Member – Audit and Risk Committee</p>	<p>Poya has extensive governance expertise and leadership experience having served as a Local Government Councillor at Gladstone Regional Council, where he was Chair of the Commercial Services Committee strategically driving performance of Council businesses, overseeing Economic Development, and being a leader in the pursuit of a Hydrogen Hub for Gladstone, and further, as a non-executive director of the Gladstone Area Water Board and a strategic member of the Information Technology Optimisation Committee. Poya also serves Central Queensland as a non-executive Board Member of the Central Queensland Hospital and Health Service, where he has been Chair of the Audit and Risk Committee since 2019. As a Dentist, Poya is committed to caring for people and has a demonstrated track record of integrity and respect. He brings years of expertise in strategic planning and stakeholder development both of which stem from his passion for building communities from grassroots up. As the Managing Director of health services business, Sunland Health Group, Poya also brings an entrepreneurial spirit and commercial acumen.</p>
	<p>First appointed October 2020 Current term 1 October 2020 – 30 September 2023</p>

Name and qualifications	Experience and skills
<p>Dr Prins Ralston DJS, LLM, LLB, BBus (ACC), BBus(Comp) FCCA, FAICD, FACS</p> <p><i>Director</i> Member – Audit and Risk Committee</p>	<p>Dr Prins Ralston is the CEO of Townsville City Council and has been an Executive and Board Director for over 30 years. Prins has worked extensively with boards and executives for many companies delivering on their critical strategic, policy, organisational design and capability, and leadership opportunities and challenges in Australia, New Zealand and United Kingdom.</p> <p>Prior to joining Council, Prins was a principal at Nous Group and the independent Head of TaskforceNQ. TaskforceNQ was the coordinating body for the North Queensland region’s recovery from the Health, Social and Economic impacts of the COVID-19 pandemic. Prins career experience includes CEO of international human and health services companies, as a Partner with National Legal Firms Clayton Utz and Gagens Lawyers and has led the Information, Communications and Technology profession in the Australia and South East Asia regions as well working with IFIP an UNESCO body.</p>
	<p>First appointed October 2020 Current term 1 October 2020 – 30 September 2023</p>
<p>Paul Heagney BCom, GDipAppFinInv</p> <p><i>Director</i> Member – People Performance and Culture Committee</p>	<p>Paul has over 25 years’ senior managerial and executive experience in commodities, international trade, and supply chains gained in the agriculture and resources industries.</p> <p>Paul was formerly Executive Director and Acting Chief Executive Officer of GPC from July 2021 - May 2022. He has previously been a customer, Director, including Non-Executive Chair, and shareholder representative, of port and terminal companies. Additionally, he is a former Director of the Australian Sugar Milling Council and Chair of its Trade Committee.</p> <p>He holds a Commerce Degree from the University of Queensland and a Graduate Diploma of Finance and Investment from the Securities Institute of Australia.</p>
	<p>First appointed October 2020 Current term 1 October 2020 – 30 September 2023</p>
<p>Ryl Gardner BA (Econ & IR) GDip Management GAICD, MAHRI</p> <p><i>Director</i> Chair – People Performance and Culture Committee</p>	<p>Ryl is a senior HR Specialist with more than three decades of practical experience across a range of industries and Government sectors. As an experienced leader, Ryl has managed her own management consulting and Business Performance Coaching business for more than 20 years. She has significant experience in designing and managing change processes and an in depth knowledge of best practice and business improvement in employee management. She is a strong advocate of regional Queensland with strong family ties to Central Queensland.</p>
	<p>First appointed October 2021 Current term 1 October 2021 – 31 May 2024</p>

Name and qualifications	Experience and skills
<p>Paul Binsted B.Ec. and LLB</p> <p><i>Director</i> Member – Audit and Risk Committee</p>	<p>Mr Binsted is the current Chair of Stanwell Corporation Limited and has had an extensive career in corporate finance and has an interest in macro and micro economics. From 1982 to 2007, he was a Corporate Financial Adviser and Investment Banker holding senior positions at Lazard, Citigroup/Salomon Smith Barney, Schroders and Lloyds Corporate Advisory Services.</p> <p>Mr Binsted has held directorship positions across the energy, renewables, sea ports, mining and rail sectors, including Director of the Clean Energy Finance Corporation and Chair of its Audit Committee; Council Member of the Australian National Maritime Museum and Chair of its Audit Committee; Chair of Sydney Ports Corporation and the State Rail Authority of NSW; and Deputy Chair of Donaldson Coal Holdings Limited and Paringa Mining and Exploration Company PLC.</p> <p>He was also a member of the Financial Sector Advisory Council which provided advice to the Government on policies to facilitate the growth of a strong and competitive financial sector; and was a Chief Adviser to the Australian Federal Treasury.</p> <p>Holding Bachelor Degrees in Economics and Law, Mr Binsted is a member of the Economics Society of Australia and a Solicitor of the Supreme Court of New South Wales.</p>
<p>First appointed December 2022 Current term 15 December 2022– 30 September 2025</p>	
<p>Melody Ingra BA (Education)</p> <p><i>Director</i> Member – People Performance and Culture Committee</p>	<p>Melody is a proud Gooreng Gooreng / Wakka Wakka woman from Yallarm (Gladstone). An experienced Teacher and Company Director with over 25 years practical experience across various industries, government sectors and NGO's. Melody is currently the National Cultural Liaison for Goodstart Early Learning and Chairperson of the Aboriginal and Torres Strait Islander Community Controlled Health Service. She has worked in the education sector for over 25 years as a Teacher, Educator, Principal Project Officer and Indigenous Educator Advisor. She was an inaugural Coach for the Indigenous Women in Leadership program and has delivered Aboriginal Cultural Awareness to over 1000 people across the nation. Melody is actively involved in First Nations community's across Queensland, with strong connection to Gladstone being born and raised there as a Traditional Custodian, with family ties to the region.</p>
<p>First appointed October 2022 Current term 13 October 2022 – 30 September 2025</p>	

ACTING COMPANY SECRETARY

Name and qualifications	Experience and skills
Stacey Hogarth BBus (Mgt), GradDipAppCorpGov, MBA, FGIA, AAICD	<p>Stacey Hogarth was appointed to the role of Acting Company Secretary on 20 March 2023. Stacey provides corporate governance advice and secretariat support to the GPC Board, and is responsible for corporate governance, compliance, records and information management at the Corporation.</p> <p>Stacey is a fellow of the Governance Institute of Australia and has over 15 years' executive experience across Governance, Risk, Compliance, Safety and Human Resources functions in both the public and private sectors.</p>

PREVIOUS ACTING COMPANY SECRETARY

Mariette Lansdell B.Comm (Hons), MBA, CGP, FCP, GAICD	Appointed 1 June 2021 to 19 March 2023
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PRINCIPAL ACTIVITIES

The consolidated entity's principal activities are to:

- a) provide import and export shipping infrastructure to the Central Queensland region through the Port of Gladstone, Port of Rockhampton and Port of Bundaberg, and encourage the use of these facilities for the economic benefit of stakeholders along with the non-trading Port of Maryborough (PoM). On 1 March 2022, management of PoM was transferred to GPC, bringing benefits through geographic proximity of GPC's existing ports and aligning the port and maritime responsibilities with Maritime Safety Queensland. As a non-trading Port, GPC undertakes limited responsibilities associated with managing the PoM;
- b) manage cargo handling facilities for coal and other bulk products at Port of Rockhampton, RG Tanna Coal Terminal, Barney Point Terminal and Auckland Point facilities;
- c) develop, manage and lease land and other assets for port related purposes; and
- d) manage ancillary services and functions which support core business activities.

OPERATING RESULTS FOR THE YEAR

The Group's net profit after income tax is \$114.19M (2022: \$82.95M) representing an increase of 38% from the previous year. The results included net revaluation decreases of \$2.84M (2022: net revaluation decreases of \$5.24M). This related to write-down of assets of \$7.79M and investment property revaluation increases of \$4.95M. Total income was \$562.82M, an increase from 2022 of \$35.02M, \$22M which relates to a settlement amount from a contracted party in lieu of fulfilling their contractual obligations.

AUDITOR INDEPENDENCE

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is included following the Directors' Report.

DIVIDENDS

Dividends paid to shareholders during the financial year were as follows:

	2023 \$'000	2022 \$'000
Dividends paid from prior year profits	-	93,084
	Cents per share	Cents per share
Dividend per share	-	23.15

In addition to the above dividends, the Directors recommended the payment of a final dividend at 100% of profits, adjusted in line with shareholding Ministers' approval along with a special dividend of \$25.0M. The final dividend amounts to \$117.62M (29.25 cents per share)

REVIEW OF FINANCIAL CONDITIONS AND LIKELY DEVELOPMENTS

Trade performance remained steady during the year with all three trading GPC ports contributing to the 111.73MT throughput, 8.11MT less than last year's throughput as a result of reduction in coal exports generally attributed to a number of rail impacts and mine related supply issues including weather related events. The Port of Gladstone recorded a throughput of 111.21MT led by coal, liquefied natural gas (LNG) and alumina-related exports. 59.85MT of coal exports were facilitated by the Port of Gladstone, 6.52MT decrease in exports.

Whilst coal export volumes declined from previous year, LNG exports remained steady, with 22.14MT of LNG transported predominately into Asia, compared to 23.50MT in the previous year. 0.35MT of product was handled through the Port of Bundaberg during the year and an increased diversity of trade product is setting the foundation for future growth at the port. Ammonium nitrate was the major driver through the Port of Rockhampton further substantiating the Port as a significant contributor to facilitating hazardous goods for the State. Continuing uncertainty on weak global demand forecasts, magnified with high inflation, a global energy crisis and the continued war in Ukraine has been considered to the extent that can be reasonably anticipated. GPC anticipates these similar macro-economic conditions to continue through FY2024. The forecast for energy, specifically LNG into FY2024 remains consistent with this year however whilst demand remains strong for both metallurgical and thermal coal, supply is forecast to continue to be constrained with coal exports anticipated to be similar to current year volumes.

REVIEW OF FINANCIAL CONDITIONS AND LIKELY DEVELOPMENTS (CONTINUED)

Ordinary property revenue has remained consistent with last year following a number of years impacted by COVID-19 with waiver and deferred payments offered to eligible tenants.

During the next five years, the energy transition to renewables is expected to continue to show strong growth. With GPC strongly supporting the Government's initiatives in the renewable industry sector, infrastructure, master plans and strategic approvals will be required for this new renewables economy and sound investment options will be considered to match forward demand. In particular hydrogen, green ammonia developments, and facilitating the imports of wind and solar developments underpins the infrastructure growth required. GPC will constantly monitor for the most diligent sequencing for infrastructure investment to support the demand expected with renewables, containerised freight and other emerging trades. An increasing focus will be on facilitating common user infrastructure, including incremental channel staging to support sustainable development and growth.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of GPC during the year ended 30 June 2023.

ENVIRONMENTAL REGULATION

The Group's operations are subject to significant environmental regulations under both Commonwealth and State legislation. Compliance to these obligations are rigorously monitored and reported as required under GPC's accredited ISO14001:2015 Environmental Management System. Further information can be found in the 2023 Annual Report.

RESPONDING TO CLIMATE CHANGE

The Group continues the development of a Climate Change Strategy (the strategy) which sets a framework to guide GPC towards reduced carbon emissions and provide direction to respond and adapt to the physical and transition risks of climate change. The strategy seeks to achieve this by outlining achievable actions based on prioritised risks, opportunities and commitments.

The strategy encompasses the Group's climate change direction statement, strategic framework and strategic roadmap using a risk based approach to capture the Group's position, approach and actions in response to climate change. It guides the Group's operations to a low emission future in line with the Queensland Government's climate change strategy and targets that is likely to deliver multiple benefits including:

- a) providing decision useful and forward looking information to develop adaptation response;
- b) informing key assumptions and accounting judgements in financial climate risk disclosures; and
- c) providing assurance and economic confidence to decision makers that climate change risk and uncertainty has been actively considered and addressed delivering a sustainable, resilient and fit-for-purpose business into the future.

The Group has already made achievements on its climate journey with a reduction of Greenhouse Gas (GHG) emissions since reporting began in 2009 through a number of voluntary energy and fuel efficiency programs and the Renewable Energy Target electricity contributions.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year the Group indemnified all Directors and Executive Officers in respect of Directors and Officers liability and company reimbursement insurance. The base premium paid amounted to \$214,025.

Under the policy the insurer agrees to pay:

- a) all losses which each insured person becomes legally obligated to pay on account of any claims for wrongful acts; and
- b) all losses for which the company may grant indemnification to each insured person.

The Group has not otherwise during or since the end of the financial year, except to the extent permitted by law, indemnified an officer of the Company against a liability incurred as such an officer.

DIRECTORS' ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

	Board (8 held)	Audit and Risk Committee (4 held)	People, Performance and Culture Committee (4 held)
Dr Anthony Lynham	8	4	4
Grant Cassidy OAM	8	4	NA
Peta Jamieson	8	NA	3
Dr Poya (PJ) Sobhanian	8	4	NA
Dr Prins Ralston	7	4	NA
Paul Heagney	8	NA	3
Ryl Gardner	8	NA	4
Melody Ingra ¹	6	NA	3
Paul Binsted ²	4	1	NA

¹ Appointed to Board in October 2022

² Appointed to Board in December 2022

COMMITTEE MEMBERSHIP

The Group has established an Audit and Risk Committee (ARC) and a People Performance and Culture Committee (PPCC).

Memberships of the Committees at the date of this report are:

Audit and Risk Committee:

Grant Cassidy OAM – Chair
 Dr Anthony Lynham
 Dr Poya (PJ) Sobhanian
 Dr Prins Ralston
 Paul Binsted

People Performance and Culture Committee:

Ryl Gardner - Chair
 Dr Anthony Lynham
 Peta Jamieson
 Paul Heagney
 Melody Ingra

DIRECTORS' INTERESTS

The Directors have no interest in any shares of the Group as all shares are held for the benefit of the State of Queensland by Ministers of the Crown.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

Note 26 of the consolidated financial statements provides detailed disclosures relating to the remuneration of key management personnel. The term key management personnel refers to those persons having the authority and responsibility for planning, directing and controlling the activities of GPC, directly or indirectly, including any director of GPC.

RISK MANAGEMENT

GPC, in carrying out its business, maintains an enterprise risk management system to ensure:

- a) threats and opportunities associated with achieving strategic priorities and objectives are understood, managed, monitored and reported through well-defined processes;
- b) risk management roles and responsibilities are detailed to meet obligations and accountabilities;
- c) business opportunity risks are pursued after prudent analysis and consideration; and
- d) operational risks are minimised so far as is reasonably practicable.

PROCEEDINGS ON BEHALF OF THE COMPANY

GPC was served on 27 February 2018 with a Claim and Statement of Claim filed in the Supreme Court of Queensland (Court) by Murphy Operator Pty Ltd, Tobari Pty Ltd and SPW Ventures Pty Ltd. The Claim is a representative class action brought against GPC by litigation funders on behalf of the following 3 categories of claimant: (1) commercial fishing group members; (2) fish processing group members; and (3) fish wholesaling group members. The Claim arises from the conduct of the Fisherman's Landing Expansion Project and the Western Basin Dredging and Disposal Project by GPC. GPC has engaged legal representatives to act on its behalf and is continuing to defend the Claim.

On 19 April 2023 the plaintiffs were granted leave to amend their pleadings expanding the case to include design and construction allegations against GPC, increasing the evidence task, complexity of hearing, costs and timeframes. GPC has sought indemnity from the contractors responsible for the design and construction works by way of third party proceedings.

On the advice of senior counsel the decision to allow the amended pleading is being appealed, the effect being the scope of the case faced by GPC may not be known until early 2024. GPC does not expect a trial to occur before mid-2025.

The Appeal of the decision to allow the plaintiff's further amended pleadings is listed for hearing before the Court of Appeal in Brisbane on 14 September 2023.

SUBSEQUENT EVENTS

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future years.

ROUNDING OF AMOUNTS

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. Amounts in the financial statements and Directors' Report have been rounded to the nearest one thousand dollars, unless otherwise stated.

The Directors' Report is signed in accordance with a resolution of the Directors made pursuant to s298 (2) of the *Corporations Act 2001*. On behalf of the Directors:



Dr Anthony Lynham
Chair
Dated: 25 August 2023

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Gladstone Ports Corporation Limited

This Auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence declaration

As lead auditor for the audit of Gladstone Ports Corporation Limited for the financial year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Gladstone Ports Corporation and the entities it controlled during the period.



Bhavik Deoji
as delegate of the Auditor-General

25 August 2023

Queensland Audit Office
Brisbane

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Revenue from contracts with customers	6(a)	517,520	488,540
Other income	6(b)	45,299	39,264
Total income		562,819	527,804
Employee benefits expenses	6(d)	(155,923)	(144,266)
Operational expenses	6(c)	(126,789)	(138,237)
Depreciation/amortisation expenses	6(c)	(87,827)	(91,726)
Finance costs	6(c)	(28,075)	(29,308)
Impairment	12(a),(d)	-	(213)
Net profit/(loss) on disposal of non-current assets		891	(140)
Fair value revaluation decrease of property, plant and equipment	12(c)	(7,791)	(8,754)
Revaluation increase of investment properties	12(c)	4,947	3,517
Profit before income tax		162,252	118,677
Income tax expense	7(a)	(48,058)	(35,731)
Profit for the year		114,194	82,946
Profit attributable to:			
Owners of Gladstone Ports Corporation Limited		114,194	82,946
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Revaluation increase/(decrease) of property, plant and equipment and intangible assets	12(c)	(38,674)	(46,985)
Income tax relating to components of other comprehensive income	7(e)	11,602	14,096
Other comprehensive income for the year, net of income tax		(27,072)	(32,889)
Total comprehensive income for the year		87,122	50,057
Total comprehensive income for the year is attributable to:			
Owners of Gladstone Ports Corporation Limited		87,122	50,057

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position as at 30 June 2023

	Note	2023 \$'000	2022 \$'000
Assets			
Current assets			
Cash and cash equivalents	8	32,364	43,145
Cash advance facility	9	260,396	150,381
Trade and other receivables	10	100,337	65,394
Inventories	11	18,516	15,950
Prepayments		6,952	5,739
Assets classified as held for sale		591	-
Total current assets		419,156	280,609
Non-current assets			
Property, plant and equipment	12(a)	1,905,050	1,960,974
Prepayments		291	448
Deferred tax assets	7(d)	26,101	28,936
Intangible assets	13	28,890	30,985
Right-of-use assets	21	3,444	2,916
Investment properties	14	96,078	90,770
Total non-current assets		2,059,854	2,115,029
Total assets		2,479,010	2,395,638
Liabilities			
Current liabilities			
Trade and other payables	15	45,974	40,475
Contract and other liabilities	16	24,672	19,941
Provisions	18	171,738	58,945
Lease liabilities	21	1,247	1,209
Income tax payable	7(c)	10,315	4,018
Total current liabilities		253,946	124,588
Non-current liabilities			
Contract and other liabilities	16	8,374	10,339
Borrowings	17	775,219	775,295
Provisions	18	18,807	22,133
Lease liabilities	21	9,552	9,217
Deferred tax liabilities	7(e)	301,110	315,569
Total non-current liabilities		1,113,062	1,132,553
Total liabilities		1,367,008	1,257,141
Net assets		1,112,002	1,138,497
Equity			
Issued capital		667,896	663,896
Asset revaluation reserve	19	363,486	391,472
Retained earnings		80,620	83,129
Total equity		1,112,002	1,138,497

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity for the year ended 30 June 2023

	Note	Issued capital \$'000	Asset revaluation reserve \$'000	Retained earnings \$'000	Total \$'000
Opening balance as at 1 July 2021		675,496	424,936	(392)	1,100,040
Total comprehensive income attributable to owners					
Profit for the year		-	-	82,946	82,946
Other comprehensive income		-	(32,889)	-	(32,889)
Transfers within equity					
Disposal of revalued assets		-	(575)	575	-
Transactions with owners in their capacity as owners					
Return of shareholders' equity ⁱ		(11,600)	-	-	(11,600)
Closing balance as at 30 June 2022		663,896	391,472	83,129	1,138,497
Opening balance as at 1 July 2022		663,896	391,472	83,129	1,138,497
Total comprehensive income attributable to owners					
Profit for the year		-	-	114,194	114,194
Other comprehensive income		-	(27,072)	-	(27,072)
Transfers within equity					
Disposal of revalued assets		-	(914)	914	-
Transactions with owners in their capacity as owners					
Shareholders' equity contribution ⁱⁱ		4,000			4,000
Dividends provided for or paid	20	-	-	(117,617)	(117,617)
Closing balance as at 30 June 2023		667,896	363,486	80,620	1,112,002

ⁱ The \$11.6M net reduction in shareholders' equity relates to the \$20.6M return of shareholders' equity offset by further equity adjustments of \$1.0M to help fund common-user facility capital works at Port of Bundaberg, \$3.0M shareholders' equity contribution for milestone completed at Port of Bundaberg Common User Infrastructure (conveyor) project and \$5.0M equity contribution for Auckland Hill (Harbour Outlook) project.

ⁱⁱ The \$4.0M shareholders' equity contribution relates to a milestone completed under the Australian and Queensland Governments' 2020 project agreement for the Port of Bundaberg Common User Infrastructure (conveyor) project linked to the Hinkler Regional Deal.

The accompanying notes form part of these financial statements

Consolidated Statement of Cash Flows for the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Cash flows from operating activities			
Receipts from customers		581,880	571,853
Tax equivalents paid to Queensland Treasury		(41,783)	(43,396)
Net amounts from ATO		(29,158)	(25,448)
Payments to suppliers		(161,836)	(164,038)
Payments to employees		(155,395)	(143,904)
Payments for leases (short term, low value)		(1,047)	(561)
Interest received		7,213	1,033
Interest paid		(22,475)	(22,772)
Other finance costs		(5,600)	(6,536)
Net cash inflows from operating activities	8(a)	171,799	166,231
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment and investment properties		1,497	76
Purchase of property, plant and equipment		(72,150)	(88,702)
Purchase of intangibles		(4,043)	(4,053)
Transfers (to)/from Queensland Treasury		(110,016)	38,569
Net cash outflows from investing activities		(184,712)	(54,110)
Cash flows from financing activities			
Repayment of borrowings		(76)	(19)
Payment of principal portion of lease liabilities		(1,792)	(1,973)
Dividends paid		-	(93,084)
Shareholders' equity contribution		4,000	(11,600)
Net cash outflows from financing activities		2,132	(106,676)
Net increase/(decrease) in cash and cash equivalents		(10,781)	5,445
Cash and cash equivalents at the beginning of the financial year		43,145	37,700
Cash and cash equivalents at the end of the financial year	8	32,364	43,145

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

1. General information

The financial statements comprise the consolidated financial statements of the Group. The Group is a for-profit entity and consists of GPC and its wholly owned subsidiary, Gladstone Marine Pilot Services Pty Ltd. GPC is a public company incorporated and operating in Australia. GPC's registered office and principal place of business is:

40 Goondoon Street
Gladstone QLD 4680
Tel: (07) 4976 1333

The consolidated entity's principal activities are to:

- a) provide import and export shipping infrastructure to the Central Queensland region through the Port of Gladstone, Port of Rockhampton and Port of Bundaberg, and encourage the use of these facilities for the economic benefit of stakeholders along with the non-trading Port of Maryborough (PoM). On 1 March 2022, management of the PoM was transferred to GPC, bringing benefits through geographic proximity of GPC's existing ports and aligning the port and maritime responsibilities with Maritime Safety Queensland. As a non-trading Port, GPC undertakes limited responsibilities associated with managing the PoM;
- b) manage cargo handling facilities for coal and other bulk products at Port of Rockhampton, RG Tanna Coal Terminal, Barney Point Terminal and Auckland Point facilities;
- c) develop, manage and lease land and other assets for port related purposes; and
- d) manage ancillary services and functions which support core business activities.

Information on the Group's structure is provided in Note 4 and information on other related party relationships is provided in Note 27.

2. Basis of preparation

(1) Presentation

Historical cost convention

These financial statements have been prepared under the historical cost convention, except for the revaluation of certain classes of property plant and equipment and investment property measured at fair value.

Functional and presentation currency

The consolidated financial statements are presented in Australian Dollars which is the entity's functional currency.

Rounding of amounts

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. Amounts in the financial statements and Directors' Report have been rounded to the nearest one thousand dollars, unless otherwise stated.

2. Basis of preparation (continued)

Foreign currency transactions and balances

In preparing the financial statements, transactions in currencies other than Australian Dollars are recorded at the rates of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the Statement of Financial Position date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition or part of the item of expense. Trade receivables and payables are stated with the amount of GST included.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the taxation authority.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities that are recoverable from or payable to the taxation authority, are classified as operating cash flows.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of the receivables in the Consolidated Statement of Financial Position.

(2) Basis of consolidation

The consolidated financial statements represent the financial statements of GPC and its subsidiary.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Details of the subsidiary are listed in Note 4. Parent entity financial information is listed in Note 5.

(3) Statement of compliance

These consolidated financial statements are a general purpose financial report and have been prepared in accordance with the *Corporations Act 2001*, the *Government Owned Corporations Act 1993 (Qld)*, applicable Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The consolidated financial statements of the Group for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of the directors on 25 August 2023.

2. Basis of preparation (continued)

(4) Changes in accounting policies, disclosures, standards and interpretations

Accounting policies

Unless otherwise stated, all accounting policies applied are consistent with those of the prior year.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period and applicable to the Group. The application of these standards and interpretations did not have a significant impact on the Group's financial statements.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2023. The Group does not expect there to be any significant impact from these amendments.

- ***AASB 2021-5 Amendments to AASB 112 Income Taxes (AASB 112) - Deferred Tax related to Assets and Liabilities arising from a Single Transaction.***

In May 2021, AASB issued amendments to AASB 112, which narrows the scope of the initial recognition exception under AASB 112, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

This standard will be applicable to the Group for the first time during the financial year ending 30 June 2024.

- ***AASB 2022-5 Amendments to AASB 16 Leases (AASB 16) - Lease Liability in a Sale and Leaseback.***

The amendment to AASB 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. This standard will be applicable to the Group for the first time during the financial year ending 30 June 2025.

- ***AASB 2021-2 Amendments to AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors (AASB 108) - Definition of Accounting Estimates***

In February 2021, the AASB issued amendments to AASB 108, in which it introduces a definition of 'accounting estimates'. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. This standard will be applicable to the Group for the first time during the financial year ending 30 June 2024.

2. Basis of preparation (continued)

- ***AASB 2020-1 and AASB 2022-6 Amendments to AASB 101 Presentation of Financial Statements (AASB 101) Australian Accounting Standards - Classification of Liabilities as Current or Non-current***

In January 2020 and October 2022, the AASB issued amendments to AASB 101 to specify the requirements for classifying liabilities as current or non-current.

The amendments in AASB 2020-1 and AASB 2022-6 are effective for annual reporting periods beginning on or after 1 January 2024 and 1 January 2023, respectively, and must be applied retrospectively. As such, AASB 2020-1 and AASB 2022-6 will be applicable to the Group for the first time during the financial year ending 30 June 2025 and 30 June 2024, respectively.

- ***AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies***

In February 2021, the AASB issued amendments to AASB 101 and AASB Practice Statement 2, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. This standard will be applicable to the Group for the first time during the financial year ending 30 June 2024.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates significant to the financial statements are disclosed in the following notes:

Revenue recognition and measurement	Note 6
Recovery of deferred tax assets	Note 7(d)
Estimation of useful lives of assets	Note 12(a)
Valuation of property, plant and equipment	Note 12(c)
Impairment	Note 12(d)
Recognition of intangible assets	Note 13
Provision for rehabilitation	Note 18

4. Interests in other entities

Details of the Group's subsidiary are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			30 June 2023	30 June 2022
Gladstone Marine Pilot Services Pty Ltd	Pilotage services	Australia	100%	100%

5. Parent entity information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements.

	2023 \$'000	2022 \$'000
<i>Financial position</i>		
Assets		
Current assets	419,147	281,056
Non-current assets	2,058,331	2,113,261
Total assets	2,477,478	2,394,317
Liabilities		
Current liabilities	252,829	123,607
Non-current liabilities	1,112,647	1,132,213
Total liabilities	1,365,476	1,255,820
Net assets	1,112,002	1,138,497
<i>Equity</i>		
Issued capital	667,896	663,896
Reserves	363,486	391,472
Retained earnings	80,620	83,129
Total equity	1,112,002	1,138,497
<i>Financial performance</i>		
Profit for the year	114,194	82,946
Other comprehensive income	(27,072)	(32,889)
Total comprehensive income	87,122	50,057
<i>Commitments for the acquisition of property, plant and equipment by</i>		
Due not later than 1 year	22,184	80,353

These commitments are not recognised as liabilities as the relevant assets have not yet been received.

The parent entity did not have any contingent liabilities as at 30 June 2023 or 30 June 2022.

6. Profit before income tax

(a) Revenue from contracts with customers

The Group is in the business of providing import and export shipping infrastructure services including cargo handling facilities and ancillary services. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue has been calculated based on existing contracts. Harbour dues, tonnage rates, other shipping charges or cargo handling charges for all vessels are invoiced after departure of the vessel. The normal credit term is 30 days from the end of month in which the service is delivered.

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	2023 \$'000	2022 \$'000
Revenue from contracts with customers		
Types of services		
Cargo handling charges	313,972	303,840
Harbour dues	119,630	102,079
Tonnage rates	57,032	56,013
Pilotage	26,886	26,608
Total	517,520	488,540
Timing of revenue recognition		
Revenue for services recognised over time	313,972	303,840
Revenue for transactions transferred at a point in time	203,548	184,700
Total	517,520	488,540

Set out below is the changes in contract liabilities:

	2023 \$'000	2022 \$'000
Amounts included in contract liabilities at the beginning of the year	2,008	2,384
Revenue recognised at the end of the year	(1,788)	(376)
Amounts included in contract liabilities at the end of the year	220	2,008

6. Profit before income tax (continued)

Performance obligations

Information about the Group's performance obligations are summarised below:

- **Cargo handling charges**
 The performance obligation is to provide cargo handling services over the contract period. Certain contracts contain take-or-pay arrangements which customers are required to nominate the minimum tonnage processed over an annual period. Some of these contracts contain provisions giving customers the right to carry forward unused take-or-pay tonnage.
- **Harbour dues**
 The performance obligation is to provide port access services over the contract period. Certain contracts contain take-or-pay arrangements which customers are required to nominate the minimum tonnage processed over an annual period.

The performance obligation for cargo handling and harbour dues is satisfied at either a point in time based on tonnage processed or over time based on the contractual term. Payment is generally due upon completion of services provided based under general trading terms. To the extent that customers carry forward unused take-or-pay, revenue is deferred until such time that the tonnes have been utilised by the customers.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June is as follows:

	2023 \$'000	2022 \$'000
Within one year	220	2,008

(b) Other income

Property income from investment properties is recognised in revenue on a straight-line basis over the term of the lease.

Interest received is recognised using the effective interest method.

Recoverable work revenue is received as a result of rehabilitation work or other work performed by the Group for which a contribution towards costs is received. During the current financial year a reallocation of recoverable rehabilitation revenue has resulted in a debit balance for the year ending 30 June 2023.

In respect of income received, pursuant to the obligations of lessees to restore the premises leased, where the Group is the lessor, the income is recognised at the point of time when the Group becomes entitled to receive such payments from lessees.

Other income includes \$22M which relates to a settlement amount from a contracted party in lieu of fulfilling their contractual obligations.

6. Profit before income tax (continued)

In respect of works performed for environment restoration pursuant to the LNG contracts, income is recognised over a period of time over which such works are performed by the Group. The income recognised is matched with the corresponding costs incurred in carrying out these works.

	2023 \$'000	2022 \$'000
Other income		
Smallcraft services	1,981	1,804
Interest received	7,996	1,065
Property revenue (Note 14)	12,702	13,528
Recoverable works	(11,715)	11,482
Other shipping charges	9,859	8,850
Other	2,476	2,535
Proceeds on settlement	22,000	-
Total	45,299	39,264
(c) Expenses		
Operational expenses		
Contractors	47,182	43,726
Services and consultants	27,641	38,037
Indirect taxes and government charges	8,131	8,490
Materials and supplies	18,282	18,402
Energy	20,998	18,843
Insurance	8,614	7,464
Licence fees	273	281
Short term lease payments	936	459
Low value lease payments	111	102
Bad debts and expected credit loss provision	(1,915)	(39)
Rehabilitation provision	(3,624)	-
Other	160	2,472
Total	126,789	138,237
Depreciation/amortisation expenses		
Property, plant and equipment (Note 12a)	80,018	83,533
Right of use assets (Note 21)	1,671	2,148
Amortisation of intangibles (Note 13)	6,138	6,046
Total	87,827	91,726
Finance Costs		
Interest on debt and borrowings	22,040	22,350
Interest on lease liabilities (Note 21)	436	424
Competitive neutrality fee	5,599	6,534
Total	28,075	29,308

Finance costs

Finance costs are expensed in the period in which they occur using the effective interest method. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. No borrowing costs were capitalised in 2023 or 2022.

6. Profit before income tax (continued)

(d) Employee benefits expenses

	2023 \$'000	2022 \$'000
Employee benefits		
Wages and salaries	112,552	103,998
Annual leave expense	9,100	6,951
Personal leave expense	4,151	4,268
Long service leave expense	2,577	2,995
Rostered day off ("RDO") Expense	73	33
Employer superannuation contributions	12,298	11,267
Employer defined benefits contribution	1,996	2,431
Other employee benefits	1,625	1,606
Employee related expenses		
Workers compensation premium	1,241	1,097
Payroll tax expense	5,758	5,095
Other employee related expenses	4,552	4,525
Total	155,923	144,266

Wages and salaries and leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave, personal leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Wages and salaries due but unpaid at reporting date are recognised in the Consolidated Statement of Financial Position at the current salary rates. As the Group expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Australian Retirement Trust (QSuper) defined benefit plan as determined by the employee's conditions of employment.

Defined Contribution Plans - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant Enterprise Bargaining Agreement other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined Benefit Plan - The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the Group at the specified rate following completion of the employee's service each pay period. The Group's obligations are limited to those contributions paid.

7. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax - income tax equivalents

The Group is exempt from income tax under section 24AM of the *Income Tax Assessment Act 1997 (Cth)*. However, pursuant to the *Government Owned Corporations Act 1993* and the National Tax Equivalent Regime, the Group is required to make payments to the Queensland Government, equivalent to the amount of any Commonwealth income tax for which an exemption is received.

The income tax equivalent expense (referred to as income tax expense) for the period is the tax payable on the current period's taxable income based on the Australian corporate income tax rate for each jurisdiction adjusted by changes in deferred tax assets and deferred tax liabilities attributable to temporary differences and unused tax losses.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current tax is expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the end of the reporting date, and any adjustment to tax payable in respect of previous years.

Offsetting deferred tax balances

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is accounted for in respect of temporary differences arising from differences between the carrying amount of assets and liabilities and the corresponding tax base.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and tax offsets, to the extent that it is probable that sufficient future taxable profits will be available to utilise them.

However, deferred tax assets and liabilities are not recognised for taxable temporary differences related to investments in subsidiary where the parent is able to control the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

7. Taxation (continued)

Investment allowances and similar tax incentives

Entities within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (e.g. the Research and Development Tax Incentive regime or other investment allowances). The Group accounts for such allowances as tax credits, which means that the allowance reduces current tax exposure.

Tax consolidation

GPC and its wholly-owned entity are a tax consolidated group for income tax purposes. The head entity in this Group is GPC.

The head entity and the controlled entity in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

(a) Income tax expense

	2023 \$'000	2022 \$'000
Profit before income tax	162,252	118,677
Prima facie tax at 30% (2022: 30%)	48,676	35,603
Non-deductible (revenue)/expenses	1,736	638
Research and development tax offset provision	(850)	(839)
Prior year (over)/under provision	(1,504)	329
Income tax expense	48,058	35,731
Comprised of:		
Deferred tax asset	2,835	(385)
Deferred tax liability	(2,857)	(7,283)
Income tax payable	48,080	43,399
	48,058	35,731

(b) Amounts charged or credited directly to equity

	2023 \$'000	2022 \$'000
Deferred income tax related to items charged or credited directly to equity		
Net gain on revaluation of property, plant and equipment	241,457	253,059
Transition of new accounting standards	(2,920)	(2,920)
Deferred income tax reported in equity	238,537	250,139

7. Taxation (continued)

(c) Income tax payable

	2023 \$'000	2022 \$'000
Opening balance	4,018	4,016
Charged to income	48,080	43,399
Payments	(41,783)	(43,397)
Closing balance	10,315	4,018

(d) Deferred tax asset

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

	2023 \$'000	2022 \$'000
Long service leave	7,663	7,860
Personal leave	3,017	2,966
Annual leave	5,320	5,300
Parental leave	-	3
RDO	216	209
Public holidays	66	80
Accrued expenses	96	31
Provision for obsolete stock	176	1
Provision for rehabilitation	3,720	4,807
Provision for revenue received in advance	1,609	1,610
Provision for doubtful debts / expected credit losses	135	1,582
Contract liability	66	602
Lease liabilities	3,240	3,128
Unearned revenue	777	757
Closing balance	26,101	28,936
Opening balance	28,936	28,551
Amount credited to Statement of Profit or Loss and Other Comprehensive Income	(2,835)	385
Closing balance	26,101	28,936

(e) Deferred tax liability

	2023 \$'000	2022 \$'000
Inventory	4,955	4,079
Property, plant and equipment	284,658	299,994
Revenue received in advance	11,497	11,496
Closing balance	301,110	315,569
Opening balance	315,569	336,948
Amount charged to Statement of Profit or Loss and Other Comprehensive Income	(2,857)	(7,283)
	(11,602)	(14,096)
Closing balance	301,110	315,569

8. Cash and cash equivalents

For the purposes of the Consolidated Statement of Financial Position and the Consolidated Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions.

Cash at bank earns interest at floating rates based upon daily bank deposit rates. Money market investments are limited to investments in bank-backed securities or short-dated securities guaranteed through Queensland Treasury Corporation (QTC). Credit risk exposure on these investments is minimised by the short-term nature of the investment. Cash at bank and on call includes restricted amounts. The balance for this year is \$4.02M (2022: \$7.17M). This balance for current year relates to retentions held by the Group pursuant to Port Service Agreements and Coal Handling Agreements and other securities.

	2023 \$'000	2022 \$'000
Cash at bank and on hand	32,364	43,145

(a) Reconciliation of profit for the year to net cash provided by operating activities

	2023 \$'000	2022 \$'000
Profit for the year	114,194	82,946
Depreciation/amortisation expense	87,827	91,726
Revaluation of non-current assets	2,844	5,237
Impairment of non-current assets	-	213
Net profit on sale of property, plant and equipment	(891)	140
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(34,943)	(2,573)
(Increase)/decrease in inventories	(2,566)	(381)
(Increase)/decrease in prepayments	(1,056)	(145)
(Increase)/decrease in deferred tax asset	2,835	(385)
Increase/(decrease) in trade and other payables	5,498	(829)
Increase/(decrease) in contract and other liabilities	2,767	(6,202)
Increase/(decrease) in provisions	(8,150)	3,765
Increase/(decrease) in income tax payable	6,297	2
(Decrease)/increase in deferred tax liability	(2,857)	(7,283)
Net cash inflow from operating activities	171,799	166,231

9. Cash Advance Facility

Under the Queensland Government's cash management regime, Government Owned Corporations (GOCs) advance all surplus cash to Queensland Treasury. Queensland Treasury pays interest on these advances at the QTC Cash Fund rate.

GOC access to the advances is generally subject to notification periods of 24 to 48 hours. Because of the short term nature of the advances, their carrying amount is assumed to represent fair value.

At 30 June 2023, the balance held in QTC Cash Advance Facility was \$260,396,000 (2022: \$150,381,000).

10. Trade and other receivables

Trade receivables are measured at amortised cost which approximates their fair value at reporting date. Trade receivables are unsecured, non-interest bearing, and are generally on terms of 30 to 90 days.

Current	2023	2022
	\$'000	\$'000
Trade receivables	75,706	70,559
Less: allowance for expected credit losses (ECL)	(449)	(5,274)
	75,257	65,285
Accrued interest	877	94
Other receivables	24,203	15
Total	100,337	65,394
<i>Reconciliation of provision for ECL:</i>	2023	2022
	\$'000	\$'000
Opening balance as at 1 July	5,274	5,403
Movement in ECL	(4,485)	(39)
Write-off	(340)	(92)
Closing balance as at 30 June	449	5,274

10. Trade and other receivables (continued)

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets inclusive of any provisions for impairment or allowance for ECL.

The major component of debtor exposure is to coal producers using the Port of Gladstone for the export of product. Coal producers are mostly major listed companies or their related companies and account for 56% (2022: 74%) of trade receivables at balance date. Credit is only available to established customers on 30-day terms except in the case of coal exporters who may be required to make payment within 14 days of receipt of monthly statements. Credit risk exposure is minimised in the case of term leases where personal guarantees are required from directors of small private companies. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. Refer to Note 22(a) credit risk exposure for further information.

The Group measures the expected credit losses on trade and other receivables based on the credit risk rating (Standard & Poor's or equivalent as a proxy) of the counterparty. Loss rates are calculated separately for groupings of customers with similar loss patterns. The Group has determined there are three material groupings for measuring ECL based on the bands of credit rating in i.e. from AAA to A-, BBB+ to B-, and unrated entities reflecting the different customer profiles for these bands.

The calculations reflect Standard & Poor's historical observed average cumulative global corporate default rates from 1981 to 2023. Actual credit losses over the 5 years preceding 30 June 2023 have been used to measure the ECL where the counterparty is unrated.

Set out below is the credit risk exposure on the Group's trade and other receivables broken down by customer groupings and by credit rating bands.

30 June 2023	Credit Risk		
	AAA to A-	BBB to B-	Unrated
Receivables balance ¹ (\$'000)	24,318	21,481	27,492
ECL %	0.05%	0.43%	1.25%
ECL (\$'000)	(12)	(93)	(343)
Balance not impaired	24,306	21,388	27,149

¹Receivables balance excludes marina and accrued debtors

10. Trade and other receivables (continued)

30 June 2022	Credit Risk		
	AAA to A-	BBB to B-	Unrated
Receivables balance (\$'000) ¹	32,513	9,614	23,250
ECL %	0.05%	0.46%	1.44%
ECL (\$'000)	(15)	(45)	(335)
Balance not impaired	32,498	9,569	22,915

¹Receivables balance excludes balances fully provided for

11. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost assigned to an inventory item is on the basis of weighted average costs.

Inventories include spares used for the purpose maintaining assets. Upon use, the spares are either expensed or capitalised, based on the nature of maintenance activities and whether such activities would meet the criteria for capitalisation under AASB 116 *Property, Plant and Equipment*.

	2023 \$'000	2022 \$'000
Spares	19,101	15,954
Provision for obsolete stock	(585)	(4)
Total	18,516	15,950

In 2023, inventories of \$13,682,678 (2022: \$13,120,254) were recognised as an expense during the year and included in Operational Expenses – Materials and Supplies. Fuel amounting to \$15,064,099 (2022: \$12,438,183) was recognised as an expense during the year and included in Operational Expenses – Energy.

12. Property, plant and equipment

(a) Balances and reconciliations of carrying amount

	Land	Buildings	Channels, swing basins and berth pockets	Commercial wharves	Recreational and fishing wharves	Roads and services (structural improvements)	Plant	Furniture and fittings	Capital works in progress	Total
2023	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Categorisation of fair value hierarchy	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3		
Opening balance as at 1 July 2022	128,162	47,553	783,930	218,736	1,533	140,682	580,482	1,031	58,865	1,960,974
Work in progress ("WIP") additions	-	-	-	-	-	-	-	-	90,508	90,508
Transfers (to)/from WIP	1,009	5,813	2,107	13,327	39	10,998	34,551	5	(67,849)	-
Disposals	-	-	-	-	-	-	(362)	(3)	-	(365)
Transfers (to)/from expense									(19,443)	(19,443)
Transfers (to)/from assets held for sale	(141)	-	-	-	-	-	-	-	-	(141)
Depreciation	-	(2,325)	(9,047)	(8,348)	(137)	(6,624)	(53,421)	(116)	-	(80,018)
Revaluations	(2,229)	(1,578)	(8,383)	(7,646)	(51)	(4,573)	(22,000)	(5)	-	(46,465)
Impairment	-	-	-	-	-	-	-	-	-	-
Carrying amount at 30 June 2023	126,801	49,463	768,607	216,069	1,384	140,483	539,250	912	62,081	1,905,050

12. Property, plant and equipment (continued)

(a) Balances and reconciliations of carrying amount (continued)

	Land	Buildings	Channels, swing basins and berth pockets	Commercial wharves	Recreational and fishing wharves	Roads and services (structural improvements)	Plant	Furniture and fittings	Capital works in progress	Total
2022	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Categorisation of fair value hierarchy	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3		
Opening balance as at 1 July 2021	126,084	51,155	760,145	225,190	1,671	139,749	638,790	729	69,901	2,013,414
WIP additions	-	-	-	-	-	-	-	-	87,264	87,264
Transfers (to)/from WIP	4,707	478	42,463	10,620	86	12,959	26,345	429	(98,087)	-
Disposals	-	-	-	-	-	(1)	(218)	-	-	(219)
Depreciation	-	(2,300)	(8,753)	(8,237)	(150)	(6,664)	(57,308)	(121)	-	(83,533)
Revaluations	(2,629)	(1,780)	(9,925)	(8,837)	(74)	(5,361)	(27,127)	(6)	-	(55,739)
Impairment	-	-	-	-	-	-	-	-	(213)	(213)
Carrying amount at 30 June 2022	128,162	47,553	783,930	218,736	1,533	140,682	580,482	1,031	58,865	1,960,974

12. Property, plant and equipment (continued)

Property, plant and equipment (PP&E), except for WIP, are stated at fair value, less accumulated depreciation and any impairment losses. WIP is stated at cost, net of accumulated impairment losses, if any.

Initial recognition

PP&E is recognised at cost, being the fair value of consideration paid at the date of acquisition plus any incidental costs attributable to the acquisition. The cost of PP&E constructed by the Group includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

An asset recognition threshold of \$1,000 has been adopted and applies to all items of PP&E acquired with a useful life of more than one year.

Any cost that increases the originally assessed capacity or production capacity of an item of PP&E is capitalised. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the PP&E as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised as an expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as incurred.

Depreciation

Depreciation is recognised on a straight-line basis on PP&E, so as to reflect the consumption of the economic benefits over their expected economic lives. The depreciation rates used for each class are as follows:

Buildings	1.0%-20.0%
Channels, swing basins and berth pockets	1.0%
Commercial wharves	1.5%-20.0%
Recreational and fishing wharves	2.0%-20.0%
Roads and services (structural improvements)	1.0%-20.5%
Plant	1.0%-50.0%
Furniture and fittings	2.5%-50.0%

Where items of PP&E have separately identifiable components, these components are assigned useful lives distinct from the asset to which they relate. The assets' useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

The estimation of the useful lives of PP&E has been based upon historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the items of PP&E is assessed at least annually and considered against the remaining useful life.

Disposal

An item of PP&E is de-recognised upon disposal or when no further economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition is included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the year an item of PP&E is de-recognised.

12. Property, plant and equipment (continued)

(b) Carrying amounts if assets were measured at cost less accumulated depreciation

If PP&E was measured using the cost model the carrying amounts would be as follows:

Asset category	2023 Net book value \$'000	2022 Net book value \$'000
Land	91,289	90,420
Buildings	48,680	45,058
Channels, swing basins and berth pockets	216,516	216,786
Commercial wharves	191,282	184,571
Recreational and fishing wharves	1,448	1,552
Roads and services (structural improvements)	158,055	154,000
Plant	505,109	520,259
Furniture and fittings	932	1,043
Capital works in progress	62,081	58,865
Total	1,275,392	1,272,554

(c) Valuations

Measurement after initial recognition

Revaluation increments are credited to the asset revaluation reserve, net of tax, except to the extent that they reverse a revaluation decrement previously recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Revaluation decrements are recognised in profit or loss, except to the extent they offset a previous revaluation increment. In this case the decrement is recorded in the asset revaluation reserve. The accumulated depreciation is reversed to the revalued amounts.

The Group uses an income-based approach to determine fair value, with management establishing the appropriate inputs to the model. Management estimated the fair value of the Group's PP&E using a discounted cash flow (DCF) model.

All items of PP&E held at fair value are classified as level 3 on the fair value hierarchy which is consistent with prior year.

Summary of key inputs and assumptions

The fair value of assets was determined using projected revenue, capital and operating cash flows for the ten years ending 30 June 2033. Management judgement was applied to forecast future tonnages taking into account historical data where it exists. Management applied the following key assumptions:

12. Property, plant and equipment (continued)

(c) Valuations (continued)

- One unit of account is utilised as the three geographical areas of the company are intrinsically linked and product is interchanged where possible;
- Key inputs within the model relating to capital and operating expenditure are derived from known and future planned capital and operating works that are aligned to the delivery of GPC's core strategic goals, asset management strategies and future strategic plans as well as the incorporation of recurring expenditure required to maintain effective business operations in line with known and anticipated operating parameters and conditions.
- Future growth rates are determined through detailed review of future macro-economic factors, and guidance provided through the Reserve Bank of Australia growth rate assumptions, namely CPI.
- Revenue forecast is based upon contractual arrangements where they exist or historic tonnage throughput.
- A terminal value was calculated based upon the assumption that the cash flows in year ten will continue indefinitely into the future. A CPI rate of 2.5% (2022: 2.5%) is applied, when calculating terminal values to reflect inflation for long term growth in these cash flows.
- The weighted average cost of capital (WACC) nominal, post-tax rate of 6.6% (2022: 6.4%) was adopted when discounting back to a present day estimated value. Management determined this rate in consultation with independent experts.
- Given the nature of GPC's infrastructure assets and the industries in which it operates, the WACC rate applied has been calculated as if it were operating in a regulated environment.
- Mid-period discounting has been applied to discount future cash flows to their net present value which imply that cash flows are earned, on average, midway through a financial year.
- The demand profile utilised in the fair value assumptions is based on current expectations based on production profiles used by customers and expectations of global demand on coal. To the extent that significant changes are made to the coal demand this would impact the overall asset values and likely result in a significant decrease in the fair value. GPC will continue to monitor this.

Sensitivity analysis was undertaken as follows:

Level 3 input	Fair Value output	Rate Used by Group
CPI rate +0.5 post tax	1,965,990	2,034,053
CPI rate -0.5 post tax	2,099,652	2,034,053
WACC rate +0.5 post tax	1,768,024	2,034,053
WACC rate -0.3 post tax	2,228,814	2,034,053
Terminal Growth Rate +0.5	2,290,290	2,034,053
Terminal Growth Rate -0.5	1,833,520	2,034,053
Expansionary Capital delayed 1 year	2,059,624	2,034,053
Expansionary Capital +5%	2,017,914	2,034,053
Expansionary Capital -5%	2,050,193	2,034,053

12. Property, plant and equipment (continued)

As required under AASB 116, the Group has an obligation to revalue its PP&E with sufficient regularity to ensure that the carrying amounts do not differ materially from those which would be determined using fair value at the end of the reporting period.

Excluding capital WIP which are measured at cost, the resulting valuation increment or decrement calculated under the DCF model is then allocated across remaining unimpaired assets based upon their respective gross replacement cost.

The reconciliation of revaluations across each item is shown below:

	Note	2023 \$'000	2022 \$'000
Valuation adjustment to Consolidated Statement of Financial Position			
Property, plant and equipment revaluations	12(a)	(46,465)	(55,739)
Investment property	14	4,947	3,517
		(41,518)	(52,222)
Valuation adjustments to Consolidated Statement of Profit or Loss and Other Comprehensive Income			
Statement of Profit or Loss			
Revaluation decreases of property, plant and equipment		(7,791)	(8,754)
Revaluation increase of investment properties		4,947	3,517
Other Comprehensive Income			
Revaluation decrement of property, plant and equipment		(38,674)	(46,985)
Total		(41,518)	(52,222)

(d) Impairment

Projects completed as part of the investment in community assets that are of a capital nature are capitalised and impaired. Impairment occurs due to the Group generating minimal or no income return on these assets. The reconciliation of impairment is shown below:

	Note	2023 \$'000	2022 \$'000
Impairment charged to Statement of Profit or Loss and Other Comprehensive Income	12(a)	-	213

13. Intangible assets

Intangible assets of the Group comprise purchased software and internally developed software. Intangible assets with a historical cost or other value equal to or greater than \$100,000 are recognised in the Consolidated Statement of Financial Position. Items with a lesser value are expensed. All intangible assets of the Group are amortised on a straight line basis over the intangible's useful life of between 3 and 15 years.

Reconciliation of the carrying amount for intangible assets at 30 June 2023:

	Gross \$'000	Accumulated Amortisation \$'000	Balance at 30 June \$'000
Purchased Intangible assets	36,758	(26,100)	10,658
Internally generated intangible assets	23,053	(10,719)	12,334
Capital WIP	5,898	-	5,898
Total	65,709	(36,819)	28,890

Represented by movements in the carrying amount:

	Carrying amount at 1 July \$'000	WIP additions \$'000	Transfer (to)/from WIP \$'000	Amortisation \$'000	Adjustments \$'000	Carrying amount at 30 June \$'000
Purchased Intangible assets	12,741	-	1,449	(3,532)	-	10,658
Internally generated intangible assets	14,160	-	780	(2,606)	-	12,334
Capital WIP	4,084	4,043	(2,229)	-	-	5,898
Total	30,985	4,043	-	(6,138)	-	28,890

Reconciliation of the carrying amount for intangible assets at 30 June 2022 :

	Gross \$'000	Accumulated Amortisation \$'000	Balance at 30 June \$'000
Purchased Intangible assets	41,990	(29,249)	12,741
Internally generated intangible assets	23,655	(9,495)	14,160
Capital WIP	4,084	-	4,084
Total	69,729	(38,744)	30,985

Represented by movements in the carrying amount and adjustments for SaaS accounting:

	Carrying amount at 1 July \$'000	WIP additions \$'000	Transfer (to)/from WIP \$'000	Amortisation \$'000	Adjustments \$'000	Carrying amount at 30 June \$'000
Purchased Intangible assets	12,465	-	4,059	(3,783)	-	12,741
Internally generated intangible assets	13,837	-	2,586	(2,263)	-	14,160
Capital WIP	11,570	4,053	(6,645)	-	(4,894)	4,084
Total	37,872	4,053	-	(6,046)	(4,894)	30,985

14. Investment properties

	Note	2023 \$'000	2022 \$'000
Opening balance		90,770	85,796
Additions		1,053	1,438
Transfers (to)/from assets held for sale		(450)	19
Net gain from fair value adjustment	12(c)	4,947	3,517
Disposals		(242)	-
Closing balance		96,078	90,770

Investment properties are recognised initially at cost. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Investment properties include land (including seabeds) and buildings. Professional expert external valuers are used for the valuation of investment properties. For the 2023 year, the fair value has been determined based on independent valuations by Aon Valuation Services as at 31 March 2023, in accordance with AASB 140 *Investment Properties*, which requires an annual review of fair value. The valuer has recent experience in the location and category of the investment property being valued. GPC is satisfied that these are materially correct as at 30 June 2023. In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change to the valuation technique during the year.

Gains or losses arising from changes in the fair values of investment properties are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the year they arise.

The Group's investment properties classified as land (including seabeds) are level 2 on the fair value hierarchy. The fair value was determined based on the market approach that reflects recent transaction prices for similar properties.

The Group's investment properties classified as buildings are level 3 on the fair value hierarchy. The fair value was determined based on the current replacement cost approach that reflects the internal records of the original cost of the specialised fit out, adjusted for more contemporary design/construction approaches, and published construction rates for various standard components of buildings. Significant judgement is also used to assess the remaining service potential of the facility, given local climatic and environmental conditions and records of the current condition of the facility.

There were no transfers between the levels during the year.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the year of retirement or disposal.

14. Investment Properties (continued)

Transfers are made to/from investment property when, and only when:

- there is a change in use
- commencement of an operating lease to another party
- ending construction or development
- commencement of owner occupation
- commencement of development with a view to sale.

With the exception of seabeds which are leased from the State, the group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance, and enhancements.

	2023 \$'000	2022 \$'000
Rental income derived from investment properties	12,702	13,528
Direct operating expenses (including repairs and maintenance) generating rental income	(1,135)	(1,075)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(801)	(749)
Profits arising from investment properties carried at fair value	10,766	11,704

15. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Due to the short-term nature of trade and other payables, their carrying value is assumed to approximate their fair value. Information on the Group's liquidity risk management process is outlined in Note 22(c).

	2023 \$'000	2022 \$'000
Current		
Trade creditors	37,417	35,889
GST payable	5,432	2,417
Other	3,125	2,169
	45,974	40,475

16. Contract and other liabilities

Contract liabilities include amounts in relation to cargo handling and harbour where the performance obligations have not been satisfied. The revenue received in advance relates to long term advances received on contracts for which the deliverables and obligations have not yet been achieved and operating lease revenue on investment properties.

16. Contract and other liabilities (continued)

	2023 \$'000	2022 \$'000
Current		
Revenue received in advance	24,452	17,933
Contract liabilities	220	2,008
	24,672	19,941
Non-current		
Revenue received in advance	8,374	10,339

17. Borrowings

	Note	2023 \$'000	2022 \$'000
Non-current			
QTC loans	22(c)	775,219	775,295

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument (or, when appropriate, a shorter period) to the net carrying amount of that instrument.

Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise.

Terms and Conditions

The QTC loans comprise advances made under one client specific pool arrangement (CSP). The CSP comprises of a combination of bonds and floating rate debt so that the weighted average term of the underlying cash flows of these instruments matches the weighted average term of the underlying cash flows of the Group's loans. The CSP is used for the Group's normal operations. This is unsecured.

Interest rates

This loan is interest bearing with interest paid quarterly in arrears. The average interest rate for 2023 was 2.74% (2022: 2.78%).

Fair values

Unless disclosed below, the carrying amount (book value) of the Group's borrowings approximate to their fair value. The fair values have been calculated by discounting the expected future cash flows at prevailing market interest rates.

	2023		2022	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Queensland Treasury Corporation loans	775,219	709,041	775,295	717,837

The fair value represents the value of the debt if the Group repaid at that date. As it is the intention of the Group to hold the debt for its term, no provision is required to be made in these accounts.

18. Provisions

Provisions are recognised when there is a present legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events and it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

	2023 \$'000	2022 \$'000
Current		
Employee benefits	50,928	51,670
Dividends	117,617	-
Rehabilitation	3,193	3,193
Other	-	4,082
Total	171,738	58,945
Non-current		
Employee benefits	3,343	3,042
Rehabilitation	15,464	19,091
Total	18,807	22,133

Employee benefits

The provision for employee benefits comprises of long service leave, annual leave, personal leave and RDO provisions. These provisions are categorised as either current or non-current.

The current portion of this provision includes the total amount accrued for annual leave, personal leave and RDO entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within 12 months of the reporting date. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts beyond 12 months from the reporting date, in the event employees wish to use their leave entitlements.

The following amounts reflect leave that is not expected to be taken within the next twelve months:

	2023 \$'000	2022 \$'000
Employee benefits obligation expected to be settled after twelve months	31,086	31,868

The non-current portion for this provision includes amounts accrued for long service leave entitlements and personal leave that have not yet vested in relation to those employees who have not yet completed the required period of service.

18. Provisions (continued)

Liabilities for annual leave and long service leave are recognised and measured as the amount unpaid at the reporting date at pay rates anticipated on settlement in respect of employees' services, including related on-costs. The provisions have been calculated using anticipated wage and salary rates including related on-costs and expected settlement dates based on usage patterns and is discounted using rates attaching to corporate bond rates at balance date which most closely match the terms of the maturity of the related liabilities.

Dividend provision

A provision for dividends is recognised at the reporting date where the dividends have been declared, determined or recommended by the Directors prior to the reporting date. A corresponding amount is recognised directly in equity. The Directors have recommended the payment of a final dividend of 100% of profits, adjusted in line with shareholding Ministers' approval and a special dividend of \$25.0M. The final dividend amounts to \$117.62M (29.25 cents per share).

Rehabilitation

A provision for rehabilitation is recognised in relation to the obligations or undertakings for the Group associated with contractual agreements executed under the Western Basin Environmental Management Funding Agreement and LNG Commercial Offsets and relate to extinguishing the obligations of the agreements. Works have continued on land and marine areas during 2023.

The rehabilitation provisions are undiscounted. The estimated cost and timing of future rehabilitation works can be impacted by potential deterioration of structures and factors that cannot be predicted until work commences, particularly in relation to water based structures. These uncertainties may result in future actual expenditure differing from the amounts currently provided.

Provision movements	Rehabilitation		Dividend		Other	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Current provision	3,193	3,193	117,617	-	-	4,082
Non-current provision	15,464	19,091	-	-	-	-
Closing balance of provision at 30 June	18,657	22,284	117,617	-	-	4,082
Opening balance of provision at 1 July	22,284	20,398	-	93,084	4,082	3,671
Additional provisions	-	2,000	117,617	-	-	-
Amounts (used)/paid	(3)	(114)	-	(93,084)	(4,082)	411
Unused amounts reversed	(3,624)	-	-	-	-	-
Closing balance of provision at 30 June	18,657	22,284	117,617	-	-	4,082

19. Equity

Issued Capital

	2023 No.	2022 No.
Authorised to issue – ordinary shares	1,000,000,000	1,000,000,000
Issued – ordinary shares fully paid	402,066,818	402,066,818

The shares have no par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings of the Group.

Asset Revaluation Reserve

	Note	2023 \$'000	2022 \$'000
Opening balances at 1 July		391,472	424,936
Revaluation – gross	12 (c)	(38,674)	(46,985)
Deferred tax		11,602	14,096
Disposal of revalued assets		(914)	(575)
Balance as at 30 June		363,486	391,472

20. Dividends

Cash dividends on ordinary shares declared but not paid:

	2023 \$'000	2022 \$'000
Final dividend declared but not paid	117,617	-

Dividend calculations are based on 100% of net profit after an adjustment for revaluation increments / decrements special dividend of \$25.0M. All dividends are unfranked. Dividends are declared after reporting date but before the financial statements are authorised for issue.

For the 2021-22 year, shareholding Ministers approved the Directors' recommendation of retention of dividends otherwise payable from final audited net profits after tax.

21. Leases

Group as a lessee

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land/ Seabeds – 7 to 100 years (some land/ seabed leases are perpetual)

Motor vehicles - 3 to 5 years

Where the right-of-use assets have been classified as ‘Investment Property’, the accounting policy for subsequent measurement of these assets is as described in Note 14.

The Group has lease contracts for land/ seabed, vehicle and office equipment used in its operations. GPC’s land/ seabed lease portfolio contains a combination of perpetual and term-based leases. There are also certain ‘reserves’ and ‘vested’ properties granted in trust by the Government, for which GPC does not pay any lease rentals. Vehicles generally have lease terms between 3 and 5 years. The Group’s obligations under its leases are secured by the lessor’s title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of vehicles with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these leases.

In the process of applying the Group’s accounting policies, management has made the following judgements, and estimates in relation to leases:

Determining the nature of the rights for a perpetual lease (within scope of AASB 16)

The Group determined that the perpetual lease arrangement for seabed assets is within the scope of AASB 16 and the Group is the lessee under the arrangement. The underlying asset being the seabed is leased by the lessor, being the State Government, with a specific objective to consider the overall development of the geographical area and business infrastructure requirements. The Group concluded that it will not be practical or economically feasible for the lessor to make substitutions for the underlying asset. Therefore, the arrangement is considered to be non-cancellable. The Group has an unconditional obligation to pay for the asset, unless and until the lessor decides to terminate the lease. The Group cannot sell the asset nor use it for other activities and therefore, does not have complete ownership rights over the asset. The arrangement is within the scope of AASB 16.

Determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether or not it is reasonably certain to exercise the option to renew or terminate the lease.

21. Leases (continued)

Estimation of Incremental Borrowing Rate

For new or modified leases, the Group uses the 'rate implicit in the lease' where it can be readily determined, otherwise, the 'incremental borrowing rate' is used as the discount rate, which is determined using the 'QTC Fixed Rate Loan' rates that correspond with the lease commencement month and lease term, adjusted for QTC margin and other factors specific to the Group and the asset under lease.

(a) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Land /Seabed \$'000	Vehicle \$'000	Total \$'000
As at 1 July 2021	1,040	3,182	4,222
Additions (includes re-measurement)	6	836	842
Depreciation expense	(19)	(2,129)	(2,148)
As at 30 June 2022	1,027	1,889	2,916
Additions (includes re-measurement)	49	2,150	2,199
Depreciation expense	(20)	(1,651)	(1,671)
As at 30 June 2023	1,056	2,388	3,444

(b) Set out below are the carrying amounts of lease liabilities and the movements during the period:

	Note	\$'000
As at 1 July 2021		11,559
Additions		840
Accumulation of interest	6(c)	424
Payments		(2,397)
As at 30 June 2022		10,426
Additions		2,163
Accumulation of interest	6(c)	436
Payments		(2,226)
As at 30 June 2023		10,799
	2023	2022
Current	1,247	1,209
Non-current	9,552	9,217

(c) Set out below are amounts recognised in profit and loss:

	2023 \$,000	2022 \$'000
Depreciation expense of right-of-use assets	1,671	2,148
Interest expense on lease liabilities	436	424
Expense relating to short-term leases (included in operational expenses)	936	459
Expense relating to leases of low-value assets (included in operational expenses)	111	102
Gain on lease remeasurement	(2)	-
Total amount recognised in profit or loss	3,152	3,133

21. Leases (continued)

The Group had total cash outflows for leases of \$3,271,000 in 2023 (2022: \$2,958,000). The Group also had non-cash additions to right-of-use assets of \$2,200,000 in 2023 (2022: \$842,000) and lease liabilities of \$2,163,000 in 2023 (2022: \$840,000). As at the date of the financial statements, there are no expected future cash outflows relating to leases that have not yet commenced.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. The Group has entered into operating leases on its investment property portfolio consisting of certain land and buildings (Note 14). These leases have terms of between 1 and 40 years. Rental income arising is accounted for on a straight-line basis over the lease terms. Rental income recognised by the Group during the year is \$12,702,000 (2022: \$13,528,000).

Future minimum rentals receivable under non-cancellable operating leases as at 30 June are as follows:

	2023	2022
	\$'000	\$'000
Less than one year	12,336	11,294
One to two years	10,580	9,392
Two to three years	9,889	8,124
Three to four years	8,483	7,369
Four to five years	6,970	6,687
More than five years	72,903	67,297
Total	121,161	110,163

Maturity analysis of lease liabilities is included in Note 22(c).

22. Financial risk management

GPC has exposure to credit risk, liquidity risk, interest rate risk and capital management risk from its use of financial instruments. The Group's financial instruments comprise receivables, payables, borrowings, cash and cash equivalents and cash advance facility. To monitor existing financial assets and liabilities as well as to enable an effective controlling of future risks, the Group has established a comprehensive risk reporting framework that reflects expectations of management of settlement of financial assets and liabilities.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Group manages its exposure to key financial risks, in accordance with its financial policies. The objectives of the policies are to support the delivery of the Group's financial targets whilst protecting future financial security.

To monitor existing financial assets and liabilities as well as to enable an effective controlling of future risks, the Group has established comprehensive risk reporting that reflects expectations of management of settlement of financial assets and liabilities.

The Group monitors rolling forecasts of liquidity reserves on the basis of expected cash flow.

The Board reviews and agrees policies for managing each of the risks summarised below:

(a) Credit risk exposure

Credit risk arises from the financial assets of the group, which comprise cash and cash equivalents, cash advance facility, and trade and other receivables. The Group is exposed to credit risk from the possibility of counterparties to cash and cash equivalents, cash advance facility, and trade and other receivables failing to perform their obligations. The balance of cash is disclosed in Note 8 and the balance of the Cash Advance Facility is disclosed in Note 9.

The Group does not hold any credit derivatives to offset its credit exposure. The level of exposure is disclosed in the Consolidated Statement of Financial Position and in Note 10 with the carrying amount stated net of any allowance for expected credit losses.

(b) Market risk

(i) Foreign currency risk

The Group occasionally makes capital purchases in US dollars. To manage the currency risks arising from these transactions, the Group may enter into derivative transactions, namely forward currency contracts.

It is the Group's position not to enter into forward contracts until a firm commitment is in place. The terms of the hedge derivatives are required to exactly match the terms of the hedged item to maximise hedge effectiveness.

(ii) Price risk

As at 30 June 2023 and 30 June 2022 the Group did not have any significant exposure to price risk.

22. Financial Risk Management (continued)

(iii) Interest rate risk exposure

As at 30 June 2023, the Group's financial assets and liabilities exposed to variable interest rate risk consisted of cash and cash equivalents (Note 8), cash advance facility (Note 9), interest bearing loans and liabilities (Note 17) only. The Group's policy is to manage its finance costs using a mix of fixed and variable rate debt. The Group constantly analyses its interest rate exposure where consideration is given to the mix of fixed and variable interest rates.

Sensitivity analysis based upon the interest risk exposures in existence at the Consolidated Statement of Financial Position date illustrates that a +/- 1% movement in interest rates with all other variables held constant, the post-tax profit and equity affect is as follows:

	Post-tax profit		Equity	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
+1% (100 basis points)	(402)	(394)	(402)	(394)
-1% (100 basis points)	487	464	487	464

(c) Liquidity risk

The Group is exposed to liquidity risk in respect of its payables, lease liabilities and borrowings from QTC. The Group manages liquidity risk through the use of a liquidity management strategy which aims to reduce the exposure to risk by ensuring the Group has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring maximum levels of cash are at hand to match the expected duration of various employee and supplier liabilities. Funding arrangements are in place with QTC which will allow sufficient funding to cover planned requirements within the Group's corporate planning period. The Group has available a business card facility with a limit of \$300,000 (2022: \$300,000). New borrowings are subject to an approved loan program with the sanction of the Treasurer of Queensland. The Group has access to a \$30,000,000 (2022: \$30,000,000) working capital facility provided through QTC. This facility was not drawn upon during the financial year.

Interest bearing loans and borrowings relate to QTC borrowings which are interest only with no fixed repayment date for the principal component. For the purposes of completing the maturity analysis, the principal component of these loans has been included in the more than five-year time band with no interest payment assumed in this time band.

Maturity analysis of financial liabilities based upon management's expectations

Year ended 30 June 2023	Note	< 1 year \$'000	1 – 5 Years \$'000	> 5 years \$'000	Total \$'000
Financial liabilities					
Trade and other payables	15	45,974	-	-	45,974
Interest bearing loans and borrowings	17	-	-	775,219	775,219
Lease liabilities	21	1,247	1,357	8,195	10,799
		47,221	1,357	783,414	831,992

22. Financial Risk Management (continued)

Year ended 30 June 2022	Note	< 1 year \$'000	1 – 5 Years \$'000	> 5 years \$'000	Total \$'000
Financial liabilities					
Trade and other payables	15	40,475	-	-	40,475
Interest bearing loans and borrowings	17	-	-	775,295	775,295
Lease liabilities	21	1,209	931	8,286	10,426
		41,684	931	783,581	826,196

(d) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

Year ended 30 June 2023	1 July 2022 \$'000	Cash flows		Non-cash	30 June 2023 \$'000
		Payments \$'000	Receipts \$'000	Other \$'000	
Financial liabilities					
Interest bearing loans and borrowings	775,295	(76)	-	-	775,219
Dividend payable	-	-	-	-	-
Lease liabilities	10,426	(2,226)	-	2,599	10,799
	785,721	(2,302)	-	2,599	786,018

Year ended 30 June 2022	1 July 2021 \$'000	Cash flows		Other	30 June 2022 \$'000
		Payments \$'000	Receipts \$'000	\$'000	
Financial liabilities					
Interest bearing loans and borrowings	775,314	(19)	-	-	775,295
Dividend payable	93,084	(93,084)	-	-	-
Lease liabilities	11,559	(2,397)	-	1,264	10,426
	879,957	(95,500)	-	1,264	785,721

23. Capital management

Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern and maximise the return to shareholders whilst managing debt and equity balances.

The Group will manage its capital structure to maintain an investment grade credit rating, consistent with its loan documentation with QTC. The capital structure of the Group consists of borrowings disclosed in Note 17 and equity comprising issued capital, reserves and retained earnings.

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the financiers to immediately call on borrowings. There have been no breaches of the financial covenants of any borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 30 June 2023 and 30 June 2022.

24. Commitments and contingencies

Capital expenditure commitments contracted but not provided for:

These commitments relate to expenditure on capital projects in progress	2023 \$'000	2022 \$'000
Due not later than one year	22,184	80,353

Contingent assets and liabilities

As at the date of these financial statements, the Board is not aware of any material contingent assets or liabilities.

25. Auditor's remuneration

These are amounts (excluding GST) paid to the Auditor-General of Queensland for audit of the financial statements. No other benefits were received by the auditors:

	2023	2022
	\$	\$
Remuneration	271,500	330,200

The estimated fee for 2023 is \$271,500 (2022: \$265,000).

26. Key management personnel disclosures

Directors (short-term and post-employment expenses)

Directors' emoluments are set by the State Government with other fees and allowances determined on the basis of meetings attended and expenditure incurred in performing their roles. Directors do not receive performance related remuneration.

Specified executives

The People Performance and Culture Committee oversee and recommend executive Total Fixed Remuneration (TFR) to the Board for the Chief Executive Officer (CEO) or senior executives (including temporary appointments). GOC boards can determine the TFR up to market median for the position's work value as advised by an independent remuneration consultant to ascertain an appropriate level of remuneration and attract appropriately skilled applicants. The Group's remuneration policy is subject to the Queensland Government's policy and any annual increases to CEO and senior executive remuneration are approved by the Board with written notification to shareholding Ministers.

The Group's remuneration policy is based on a TFR concept. TFR is the sum of salary, superannuation, salary sacrifice item and other benefits (e.g. motor vehicle). Items in the TFR specifies the total annual cost to the Group for providing the benefit. TFR excludes any performance incentives as well as any tools of trade, equipment or other items provided solely to perform in the position. Short-term benefits are disclosed as the gross salary package (excluding bonuses) and may be taken either as salary or salary sacrificed. Leave balances paid on separation are included as a short-term benefit. Other benefits are listed as taxable fringe benefits amounts. These may include benefits that are available to all employees of the Group and are not specific to the listed roles. All disclosed items relate to amounts received by the CEO and each senior executive incurred in the financial year during the period of their appointment.

GOC boards have discretion to approve annual TFR increases (capped at 10% per annum) to senior executive's remuneration levels, subject to the TFR not exceeding the latest market median for the position's work value, in line with the Policy for Government Owned Corporation Chief and Senior Executive Employment Arrangements Version 27 October 2021.

26. Key management personnel disclosures (continued)

There are no performance payments available to the CEO and senior executives. Termination entitlements, in the event of termination by the Group, other than for misconduct, are allowed for in the contractual arrangements.

The CEO is entitled to three (3) months' notice, or payment in lieu of notice as well as a termination payment equal to six (6) month's salary. Senior executives are entitled to one month's notice, or payment in lieu of notice as well as a termination payment equal to three (3) month's salary. CEO and senior executives are not entitled to both termination and redundancy payments.

Short term employee expenses

This includes the following:

- Salaries, allowances and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied a Key Management Personnel (KMP) position;
- Non-monetary benefits consisting of provision of vehicle, telecommunications, health fund reimbursement, travel and accommodation benefits at recruitment together with fringe benefits tax applicable to the benefit.

Long term employee expenses

This includes amounts expensed in respect of long service leave entitlements earned.

Post-employment expenses

This includes amounts expensed in respect of employer superannuation obligations.

Retirement/Resignation/Termination expenses

This includes lump sum payments for entitlements at separation (excluding annual and long service leave entitlements) or other amounts payable on termination of employment or acceptance of an offer of termination of employment.

26. Key management personnel disclosures (continued)

In accordance with Ministerial guidelines details of Directors and the senior executives of the entity with the greatest authority in office at 30 June 2023 are as follows:

Directors	Last Date of Appointment	Date of Termination/Resignation	Short Term Expenses \$'000 Directors' Fees	Post-Employment Expenses \$'000 Superannuation	Total \$'000
Lynham, A (Chair)	26 August 2021	30 September 2025			
2023			79	8	87
2022			56	6	62
Cassidy, G	13 October 2022	30 September 2023			
2023			49	5	54
2022			53	5	58
Jamieson, P	13 October 2022	30 September 2023			
2023			48	5	53
2022			51	5	56
Sobhanian, PJ	1 October 2020	30 September 2023			
2023			49	5	54
2022			52	5	57
Ralston, P	1 October 2020	30 September 2023			
2023			49	5	54
2022			52	5	57
Gardner, R	1 October 2021	31 May 2024			
2023			51	5	56
2022			33	3	36
Heagney, P ¹	1 October 2020	30 September 2023			
2023			49	5	54
2022			10	1	11
Ingra, M	13 October 2022	30 September 2025			
2023			31	3	34
2022			-	-	-
Binsted, P	15 December 2022	30 September 2025			
2023			22	2	24
2022			-	-	-
Cheadle, A	1 October 2021	4 December 2021			
2023			-	-	-
2022			9	1	10
Corones, P (Chair)	1 October 2018	30 September 2021			
2023			-	-	-
2022			26	3	29
Ward, A	1 October 2018	30 September 2021			
2023			-	-	-
2022			18	2	20
TOTAL 2023			427	43	470
TOTAL 2022			360	36	396

¹ Appointed Acting Chief Executive Officer from 22 July 2021 to 11 May 2022 and became an Executive Director during this time. No Director remuneration was paid whilst Acting Chief Executive Officer

26. Key management personnel disclosures (continued)

Specified Executives		Short Term Employee Expenses			Long Term Employee Expenses	Post-Employment Expenses	Retirement/Resignation/Termination Expenses	Total
		Monetary Expenses	Non-Monetary Expenses					
Haymes, C								
Chief Executive Officer	2023	669	53	17	33	-	772	
	2022	103	43	3	10	-	159	
Appointed 1 May 2022								
Druce, J								
Chief Financial Officer	2023	377	25	9	40	-	451	
	2022	236	20	7	28	-	291	
Acting from 9 August 2021 and appointed 24 June 2022								
Gebbers, K								
Chief Operating Officer	2023	252	30	7	22	-	311	
	2022	-	-	-	-	-	-	
Appointed 5 December 2022								
Dinning, A								
Executive General Manager Trade and Development	2023	186	23	4	18	-	231	
	2022	-	-	-	-	-	-	
Appointed 6 January 2023								
Hayden, B								
Executive General Manager Asset Maintenance	2023	226	8	6	22	-	262	
	2022	-	-	-	-	-	-	
Appointed 1 November 2022								
Kohli, S								
Executive General Manager Marine Operations	2023	143	31	3	14	-	191	
	2022	-	-	-	-	-	-	
Appointed 1 February 2023								
Haward, R								
Executive General Manager Safety and ESG	2023	266	9	7	28	-	310	
	2022	-	-	-	-	-	-	
Acting from 11 October 2022 and appointed 1 November 2022								
Blackbourn, J								
Executive General Manager People	2023	150	20	4	14	-	188	
	2022	-	-	-	-	-	-	
Appointed 16 January 2023								
Melrose, G								
Executive General Manager People (Acting)	2023	99	11	3	15	-	128	
	2022	-	-	-	-	-	-	
Executive General Manager Operations (Acting)	2023	35	3	1	5	-	44	
	2022	307	22	8	39	-	376	
Appointed Acting EGM People from 11 August 2022 to 16 January 2023								
Appointed Acting Operations GM from 13 May 2019 to 10 August 2022								

26. Key management personnel disclosures (continued)

Specified Executives		Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Retirement/Resignation/Termination Expenses	Total
		Monetary Expenses	Non-Monetary Expenses				
Blight, J							
People and Community Executive General Manager (Acting)	2023	-	-	-	-	-	-
	2022	111	9	2	11	-	133
Appointed Acting from 9 August 2021 to 4 January 2022							
Walker, C							
Chief Operating Officer	2023	132	28	3	17	173	353
	2022	505	18	10	47	-	580
Employment ceased 18 October 2022							
Heagney, P							
Chief Executive Officer (Acting)	2023	-	-	-	-	-	-
	2022	389	49	9	37	-	484
Appointed Acting from 22 July 2021 to 11 May 2022							
Cassidy, C							
Interim Chief Executive Officer (Acting)	2023	-	-	-	-	-	-
	2022	47	5	-	-	-	52
Appointed 4 May 2021 under a contract and resigned 22 July 2021							
Monetary expenses is the daily contracted rate paid by the Group to a recruitment agency							
Non-monetary expenses includes accommodation, flights and provision of private use vehicle							
Winsor, R							
People and Community Executive General Manager	2023	-	-	-	-	-	-
	2022	62	18	1	5	168	254
Resigned 31 August 2021							
Gandhi, R							
General Counsel and Company Secretary	2023	-	-	-	-	-	-
	2022	62	13	1	5	882	963
Resigned 31 August 2021							
TOTAL 2023		2,535	241	64	228	173	3,241
TOTAL 2022		1,822	197	41	182	1,050	3,292

Other Payments

A number of former key management personnel of the Group are appearing as lay witnesses in a legal action taken against GPC. They are being paid agreed rates as part of this legal action and are not acting in their role as KMPs of the organisation. No amounts are included in the table on this basis.

27. Related party transactions

(a) Parent entities

The parent entity within the Group is Gladstone Ports Corporation Limited. The ultimate Australian controlling entity is the State of Queensland which at 30 June 2023 owned 100% (2022: 100%) of the issued ordinary shares of Gladstone Ports Corporation Limited.

(b) Key management personnel

(i) Shareholding Ministers - GPC's shareholding Ministers are identified as part of GPC's key management personnel. For the 2022-23 reporting period, these Ministers are, or were:

- the Honourable Cameron Dick MP, Treasurer and Minister for Trade and Investment;
- the Honourable Mark Bailey MP, Minister for Transport and Main Roads and Minister for Digital Services

(ii) Compensation – shareholding Ministers

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The Group does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

(c) Transactions with key management personnel

From time to time Senior Executives, Directors and related entities may have commercial dealings with GPC. These transactions are conducted on arm's length terms and conditions. Senior Executives and Directors declare their interest on commercial dealings at Board meetings.

(d) Intercompany transactions

Balances between GPC and its subsidiary, which are related parties of GPC, have been eliminated on consolidation and are not disclosed in this note. Details of GPC's interest is disclosed in Note 4.

(e) Government-related entities

The Group transacts with other State of Queensland controlled entities. All material transactions are negotiated on terms equivalent to those that prevail in arm's length transactions.

27. Related Party Transactions (continued)

	2023 \$'000	2022 \$'000
Revenue		
Revenue from State of Queensland controlled entities	27,876	26,425
Property revenue from State of Queensland controlled entities	691	621
Interest received from QTC	5,747	778
Expenses		
Expenses incurred to State of Queensland controlled entities	31,693	26,175
Interest on QTC borrowings (includes administration fees)	22,117	22,367
Interest on lease liabilities with State of Queensland controlled entities	239	379
Electricity payments to State of Queensland controlled entities	249	4,971
NTER, Payroll Tax, Land Tax, Rates equivalent and competitive neutrality fee paid to Queensland Treasury	59,139	58,862
Assets	260,396	150,381
Advance facility held with QTC		
Trade and other receivables from State of Queensland controlled entities	2,290	947
Liabilities		
Accrued interest and fees payable to QTC	5,273	5,587
Trade payables to State of Queensland controlled entities	61	258
Electricity payable to State of Queensland controlled entities	16	21
Dividend and competitive neutrality fee payable to Queensland Treasury	119,015	1,631
Borrowings from QTC	775,219	775,295
Lease liabilities with State of Queensland controlled entities	8,470	8,563

No provision for impairment of receivables was raised for any outstanding balances and no expense was recognised for bad or impaired debts due from State owned entities.

During the period, the Group made repayments of \$0.22M (2022: \$0.24M) relating to lease liabilities with State of Queensland controlled entities in accordance with applicable lease agreements.

28. Number of employees

	2023	2022
	No.	No.
Number of employees at year end (Full Time Equivalent)	751	762

The number of employees represents the total number of people employed (Full Time Equivalent) by the Group as at 30 June.

29. Climate Risk Disclosure

The Group continues to validate and quantify the material climate related physical and transition risks relevant to the financial statements as identified through the development of the Climate Change Strategy, and supporting strategic roadmap, in the current year. No adjustments to the carrying value of recorded assets or other adjustments to the amounts recorded in the financial statements were recognised during the financial year.

30. Events occurring after reporting period

To date, no other events have occurred subsequent to balance date that materially impact on these financial statements.

GLADSTONE PORTS CORPORATION LIMITED

DIRECTORS' DECLARATION

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 15 to 62 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date, and

- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Directors



A Lynham

Dated: 25 August 2023

Chair



G Cassidy

Dated: 25 August 2023

Director

Gladstone

INDEPENDENT AUDITOR'S REPORT

To the Members of Gladstone Ports Corporation Limited

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Gladstone Ports Corporation Limited and its controlled entities (the group).

In my opinion, the financial report:

- a) gives a true and fair view of the group's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended
- b) complies with the *Corporations Act 2001*, the Corporations Regulations 2001 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the directors' declaration.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*. I am also independent of the group in accordance with the auditor independence requirements of the *Corporations Act 2001*, and confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Management override of controls—Notes 3 and 26

Key audit matter	How my audit addressed the key audit matter
<p>Given the changes in the executive management team, governance structure and processes, there is a heightened risk that controls preventing management override have not operated effectively. The risk of management override of controls has the potential to lead to errors within the reported results and/or disclosures. This is a pervasive risk but is especially relevant to areas in which there are significant accounting and disclosure judgements, estimates and assumptions.</p> <p>Accounting and disclosure judgements taken by management must fall within a reasonable range and be applied consistently year on year, or where there has been a change in approach this has been adequately justified and disclosed. This includes assessing the completeness and accuracy of disclosures and representations from the corporation and other entities.</p>	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Evaluating whether the judgements and decisions made by management in making accounting estimates and disclosures even if they are individually reasonable, indicate a possible bias that may represent a risk of material misstatement due to fraud. • Reviewing minutes of board meetings and holding discussions with individuals involved in the financial reporting process, including unusual transactions which may have occurred. • Reviewing the disclosures in the financial statements and directors' report to ensure they completely and accurately reflect the transactions and contractual commitments. • Obtaining an understanding of the design and implementation of controls including the posting and approval of manual journals.

Valuation of property, plant, and equipment—Note 12(c)

Key audit matter	How my audit addressed the key audit matter
<p>Property, plant, and equipment is reported at fair value and where applicable at cost. Approximately 97% of the property, plant and equipment was valued at fair value which was determined using the income-based valuation model.</p> <p>The key assumptions used in the valuation model included:</p> <ul style="list-style-type: none"> • forecasting operating revenue • estimating future capital and operating costs • determining of terminal values • the discount rate applied to future cashflows. 	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the discounted cash flow model, and assessing its design, integrity, and appropriateness with reference to common industry practices. • Checking, on a sample basis, the accuracy and relevance of the input data used, including reconciling input data to supporting evidence such as approved budgets. • Performing a sensitivity analysis to establish that management's assumptions for fair value including cash flows, terminal values, discount rates, expansionary capital expenditure and inflation adjustments are within a reasonable range of audit expectations for fair value. • Assessing the reasonableness of cash flow forecasts and terminal value estimates relative to board approved budgets, historical growth trends and other relevant internal and external evidence. The reasonableness of board approved budgets was assessed with reference to their historical accuracy and the budget preparation process. • Evaluating whether the discount rate applied was within a reasonable range, with reference to market data and industry research. • Challenging the reasonableness of key assumptions based on my knowledge of the entity and industry. • Verifying the mathematical accuracy of net present value calculations.

Useful lives estimated for depreciation expense—Note 12(a)

Key audit matter	How my audit addressed the key audit matter
<p>The straight-line depreciation method used requires significant judgements for:</p> <ul style="list-style-type: none"> identifying the significant parts of assets that have different useful lives estimating the remaining useful lives of those significant parts. 	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> Evaluating management's approach for identifying the parts of property, plant, and equipment with different useful lives for reasonableness, having regard to recent replacement projects and changes in estimates over time. Evaluating remaining useful life estimates for reasonableness with reference to historical disposal rates, condition assessments for older assets, internal consistency.

Other information

Other information comprises financial and non-financial information (other than the audited financial report). At the date of this auditor's report, the available other information in the group's annual report for the year ended 30 June 2023 was the directors' report.

Those charged with governance are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the company for the financial report

The company's directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Corporations Act 2001*, the Corporations Regulations 2001 and Australian Accounting Standards, and for such internal control as the company's directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The company's directors are also responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for forming an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the group.
- Conclude on the appropriateness of the group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the group. I remain solely responsible for my audit opinion.

I communicate with the company's directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the company's directors, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Bhavik Deoji
as delegate of the Auditor-General

30 August 2023

Queensland Audit Office
Brisbane