

Energy Queensland Limited Board Charter



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1. ROLE OF THE BOARD

The primary role of the board of Energy Queensland Limited (the Board) is to provide effective governance, oversight and strategic direction over the affairs of Energy Queensland Limited as well as those of its subsidiaries, to ensure the interests of the shareholding Ministers are protected whilst having regard for the interests of all stakeholders including customers, employees, suppliers and the community.

The Board sets the framework for the group's long term success, providing oversight and strategic direction to management. The Board carries out its duties in accordance with:

- a) the Energy Queensland Limited Constitution;
- b) the high standards of ethics and corporate governance; and
- c) the interests of its employees and the employees of its subsidiary companies, the shareholding Ministers and other relevant parties who have a stake in the operation of Energy Queensland Limited.

2. RESPONSIBILITIES OF THE BOARD

The Board is responsible to its shareholders for Energy Queensland Limited's strategic direction, governance and the performance of Energy Queensland Limited and its subsidiaries. The responsibilities of the Board are to be undertaken in accordance with the *Corporations Act 2001* (Cth), the *Government Owned Corporations Act 1993* (Qld) (GOC Act), other legal requirements and the applicable Government Policies.

The GOC Act provides that the responsibilities of the Board include

- a) responsibility for the GOC's commercial policy and management;
- b) ensuring that, as far as possible, the GOC achieves, and acts in accordance with, its statement of corporate intent and carries out the objectives outlined in its statement of corporate intent;
- c) accounting to the GOC's shareholders for its performance as required by this Act and other laws applying to the GOC;
- d) ensuring that the GOC otherwise performs its functions in a proper, effective and efficient way

The Board may examine any matter in relation to its role, within the overall corporate governance framework of Energy Queensland Limited, and consider any other matter or carry out tasks as directed by the shareholding Ministers.

3. BOARD CODE OF CONDUCT

Every Director of Energy Queensland Limited is expected to comply with the Energy Queensland Limited Code of Conduct and the following standards of conduct for directors:

Directors must act honestly, in good faith and in the best interests of the company as a whole.

- a) Directors have a duty to use care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
- b) Directors must use their position and make decisions for a proper purpose, in the best interests of the company as a whole.

- c) Directors must recognise that the primary responsibility is to the company as a whole but may, where appropriate to the current and future interests of the company, have regard for the interest of other relevant parties.
- d) Directors must not make improper use of information acquired in their position.
- e) Directors must not take improper advantage of the position of Director.
- f) In accordance with their legal obligations, the Energy Queensland Limited Constitution and the Energy Queensland Limited Conflict of Interest Policy, Directors must properly disclose and manage any conflict of interest with the company that arises due to their position.
- g) Directors have an obligation to be independent in judgement and actions and to take all reasonable steps and due diligence to be satisfied that the decisions taken by the Board of Directors are in the best interests of the company.
- h) Directors must not improperly use, disclose, or allow to be disclosed, confidential information received in the course of the exercise of their Directors' duties. This information remains the property of the company from which it was obtained, unless that disclosure has been authorised by that company, or the person from whom the information is provided, or as required by law.
- i) Directors must not engage in conduct likely to bring discredit upon the company.
- j) Directors have an obligation, at all times, to comply with the spirit, as well as the letter, of the law and with the principles of the Code of Conduct

4. AUTHORITY OF THE BOARD

4.1 Matters reserved for the Board

The Board retains control over its statutory obligations, key strategic decisions, and monitoring of issues that significantly impact Energy Queensland Limited and its subsidiaries. These specific matters, as well as those issues which fall outside the scope of the Chief Executive Officer's delegated authority, are reserved to the Board for decision making purposes. Subject to Board decision on any additional items that may arise, the matters as set out in the Delegation of Authority Policy are reserved for the Board's approval.

4.2 Delegation of Authority framework

The Board has delegated general authority to the CEO to manage and operate the company on a day to day basis, in accordance with the Rules of Delegation as set out in the Delegation of Authority Policy.

The Board has also delegated authority to the CEO to authorise Energy Queensland Limited group employees and other delegates to carry out their duties within the scope of their position and their job profile up to limits of authority determined by the CEO (up to the limit of the CEO's own authority) as set out in the Delegation of Authority Policy.

5. COMMITTEES OF THE BOARD

The Board will establish Committees of the Board to consider particular matters in detail. The Board may delegate authority to Committees. Formal Committees of the Board (for which fees are to be paid) will have an established charter and are to be approved by the shareholding Ministers.

6. BOARD MEETINGS

The Board shall meet as often as deemed necessary to fulfil its role. Each year the Board shall determine an annual schedule of regular meetings to address the business of the company.

7. INFORMATION ACCESS AND PROFESSIONAL ADVICE

The Board may conduct or direct any investigation considered necessary to fulfil its role, and in doing so may seek independent professional advice at the company's expense.

With the prior approval of the Chairman, each Director has the right to seek access to independent professional advice required to fulfil their role.

8. APPOINTMENT OF DIRECTORS

Directors are appointed to the Board by the Governor-in-Council in accordance with the GOC Act.

9. DIRECTORS FEES

Directors are paid in accordance with a schedule of annual fees approved by the shareholding Ministers.

10. BOARD PERFORMANCE

The performance of the Board and the Board Committees shall be reviewed in accordance with the framework approved by the Board and subject to any relevant Government guidelines.

11. REVISION OF CHARTER

The Board should review the adequacy of this Charter at least on a biennial basis. The Board may determine and approve changes to this Charter. The Board intends to review the Charter more regularly during its initial year of operation as a Government owned corporation to consider any changes that may be appropriate as the operations of Energy Queensland Limited evolve and mature.

12. VERSION CONTROL

The initial version of this Charter was adopted by the Board on 30 June 2016.