Guideline 2.04 - Trading (Securities)

1. Application

This Trading (Securities) Guideline (this **Guideline**) applies to all NQBP Personnel and Contractors.

2. Compliance

Insider Trading Prohibition

Under the *Corporations Act* 2001 (Cth) (the **Corps Act**), it is illegal for NQBP Personnel and Contractors to deal in any Securities when in possession of information that the person knows, or ought reasonably to know:

(a) is not generally available; and

(b) a reasonable person would expect to have a material effect on the price or value of those Securities if it was generally available (“**Inside Information**”).

If NQBP Personnel are in possession of Inside Information about Securities, then those persons must not:

(a) buy, sell or otherwise deal in those Securities;

(b) encourage anyone else to deal in those Securities;

(c) pass the information to anyone else that they know, or ought reasonably to know, will deal in those Securities, or encourage someone else to do so,

(**Insider Trading Prohibition**).

Dealing in NQBP Securities

As NQBP is a Government Owned Corporation within the meaning of the *Government Owned Corporations Act 1993* (Qld), all shares are required to be held by shareholding Ministers.

In these circumstances, none of the "dealing in securities" restrictions and requirements under the Corps Act are relevant to NQBP securities.

Compliance with Insider Trading Laws

Under the Corps Act, any person who contravenes the Insider Trading Prohibition may be found civilly and criminally liable. The criminal penalty in Australia is based on pecuniary penalties or prison (or both) for an individual, and a substantial monetary fine for a corporation.

Unlimited civil penalties may be payable in the form of compensation to the other parties to the transaction equivalent to the damages caused by the breach of this prohibition. Compensation could include any profits made from the particular inside trade.

A contravention of the Insider Trading Prohibition may also result in disciplinary action, up to and including termination of employment for an NQBP Employee, or the termination of engagement for a Contractor.

Examples of Inside Information

NQBP Personnel and Contractors may come into possession of Inside Information about a company outside of the NQBP group, as a result of their employment or engagement with NQBP. This may include as a result of working on a particular project or assisting on a particular business matter (e.g. a proposed acquisition, construction project, alliance or tender).

While it is not possible to identify all information that would be deemed to be 'Inside Information' about such a company, the following types of information may be considered to be 'Inside Information' for the purposes of the Insider Trading Prohibition:

- Information regarding financial performance, including quarterly, half-yearly and year-end financial results, or any significant changes in financial performance, liquidity or cash flow that is not generally available to the public;
- Company projections, profit forecasts and strategic plans;
- Unpublished announcements;
- Potential mergers, acquisitions, reconstructions, takeovers or the sale of company assets;
- Share splits, public or private securities/debt offerings and other proposed changes in the capital structure or borrowings, or changes in company dividend policies or amounts;
- Material changes in senior management or the board of the relevant company; and
- Actual or threatened major litigation or the resolution of such litigation.

Conflicts of Interest and disclosure to NQBP

Dealing in Securities by NQBP Personnel and Contractors may also create a material personal interest, and may give rise to an actual, potential or perceived conflict of interest.

The requirements and process for disclosing material personal interests and managing conflicts of interest is outlined in NQBP's *Procedure 2.02 –Disclosure and Conflicts of Interest*.

Any material interest of NQBP Personnel or Contractor (including in relation to Securities) that may lead to an actual, perceived or potential conflict of interest must be disclosed in accordance with *Procedure 2.02 – Disclosure and Conflicts of Interest*.

NQBP Personnel and Contractors must familiarise themselves with, understand and comply with, the requirements outlined in *Procedure 2.02 – Disclosure and Conflicts of Interest* at all times when dealing with Securities.

Schedule 1 to this Guideline includes additional information and guidance to assist with determining the materiality of a personal interest in respect of shareholdings and Securities.

Entities with which the NQBP group interacts

NQBP Personnel and Contractors may obtain Inside Information in relation to Companies with which NQBP interacts, including customers, services providers and commercial partners.

Dealing in Securities in relation to these companies pose the highest risk of Insider Trading.

For guidance, a list of key entities with which NQBP interacts, is included for in Schedule 2 of this Guideline. NQBP Personnel and Contractors are encouraged to disclose any shareholding they or their family members hold in these key entities to assist identifying potential material interests and potential conflicts of interest from time to time.

This is a non-exhaustive list included for guidance only. It should therefore not be relied upon when determining whether an actual breach of this or any other policy, guideline, procedure, standard or the law, has or is likely to occur.

Condition of Employment and Engagement

Compliance with the Policy 2 - Compliance and this Guideline is a condition of employment or engagement with NQBP.

Breaches of Policy 2 - Compliance, this Guideline (whether or not they involve an actual contravention of the Insider Trading Prohibition), or *Procedure 2.02 – Disclosure and Conflicts of Interest* can have serious consequences for NQBP Personnel and Contractors, including:

- Disciplinary action, up to and including summary termination of employment;
- For Contractors, immediate termination of engagement;
- Referral of the matter to the Crime and Corruption Commission. If the Crime and Corruption Commission then considers that the circumstances could give rise to corrupt

conduct, a range of actions may be undertaken including an investigation by the Crime and Corruption Commissioner or by NQBP and the imposition of penalties and sanctions; and

- Potential criminal sanctions under s.92A of the Criminal Code.

Reporting of Breaches

If any person:

- to which the Compliance Policy and this Guideline applies, breaches the Compliance Policy, this Guideline or any laws governing Insider Trading; or
- is or becomes aware of any such breaches by NQBP Personnel or Contractors,

the relevant person must report the breach immediately to the following person:

- if the breach relates to the Chief Executive Officer or an NQBP Director (excluding the Chair), to the Chair of the NQBP Board;
- if the breach relates to the Chair, to the Chair of the People and Culture Committee (CPSC); or
- in all other circumstances, to the Chief Executive Officer.

The Chair, Chair of the CPSC or Chief Executive Officer (as applicable) will determine the appropriate action to take. The Board will be informed of all reported breaches and be updated regarding the action taken.

Who to Contact

Individuals should direct their questions about the Compliance Policy and this Guideline and its application in the first instance to their supervisor or manager. If further assistance is required, questions may be directed to the Company Secretary.

3. Compliance Policy, Procedure, Standard and Legislative Framework

NQBP is a Government Owned Corporation and a port authority and is required to comply with its own policies, prescribed applicable legislation and State Government policies and procedures. This policy should be read in conjunction with:

a. Policy 2 Compliance

b. Procedure 2.02 Disclosure and Conflicts of Interest

c. Standard 2.01 Code of Conduct

d. Procedure 2.01 Compliance

e. Corporate Governance Guidelines for Government Owned Corporations February 2009.

f. *Corporations Act 2001* (Cth)

g. *Government Owned Corporations Act 1993* (Qld)

h. *Criminal Code Act 1899* (Qld)

i. *Crime and Corruption Act 2001* (Qld)

j. *Police Powers and Responsibilities Act 2000* (Qld)

4. Policy Review Date

This Guideline should be reviewed by 30 November 2027.

5. Definitions

Chair: means Chair of the Board of Directors of NQBP.

Contractors: means contractors or consultants engaged by NQBP under a personal services consultancy agreement or other similar arrangements.

NQBP: means North Queensland Bulk Ports Corporation Limited ACN 136 880 218.

NQBP Employee: means employees of NQBP but does not include NQBP directors.

NQBP Personnel: means NQBP officers (for example NQBP directors) and NQBP Employees.

Securities: has the same meaning as in the Corps Act and includes shares of any type (including preference shares), debentures, interests in managed funds, as well as options in relation to any of these types of securities.

Schedule 1

Materiality Guidelines - Shareholdings and Securities

Introduction

For a detailed guidance on the materiality of an interests generally, please refer to Appendix 1 of Procedure 2.02 - Disclosure and Conflicts of Interest.

The purpose of these guidelines is to provide further guidance and assistance when a determination is being made whether a shareholding or other Security-related interest constitutes a "material interest".

All "material interests" that may lead to an actual, perceived or potential conflict of interest **must** be disclosed to NQBP.

General Principles and examples

When determining whether an interest may lead to an actual, potential or perceived conflict of interest, the relevant Director, NQBP Personnel or Contractor should have, or should reasonably have, a realistic expectation that they (or a family or other associate) stand to benefit or suffer a loss, whether directly or indirectly.

Some examples include where NQBP Personnel or Contractors:

- hold shares in a small company which has a commercially valuable contractual relationship with NQBP;
- hold shares in a large (i.e. multi-national) corporation which has an existing commercial relationship with NQBP. In these circumstances, the size of the shareholding held in the large corporation will be relevant when determining whether there is a material interest;
- has obtained confidential information as part of their official duties which has considered the ongoing financial viability of a company in which the person is a shareholder;
- holds shares in a company which is to be awarded a contract with NQBP which will then have the effect of significantly increasing the value of the shares; and
- the person's family holds shares in a family-owned company which has submitted a tender to enter into a large service supply contract with NQBP.

Materiality Matrix

Having regard to the examples set out above, the following table sets out a matrix which may provide assistance when determining materiality. The key elements to determine materiality are the size of the shareholding held by the relevant NQBP Personnel or Contractor **and** the intensity or closeness of the commercial relationship between the entity (in which the relevant shares are held) and the operations and business of NQBP.

Intensity/closeness of the commercial relationship between the NQBP and the relevant entity	Size/level of Shareholding held by the Relevant Person		
	Low	Medium	High
High	Not material	Material	Material
Medium	Not material	Material	Material
Low	Not material	Not Material	Material