



13 October 2014

QUBE HOLDINGS LIMITED  
ABN 141 497 230 53

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NSW 2000

## **ASX and Media Announcement**

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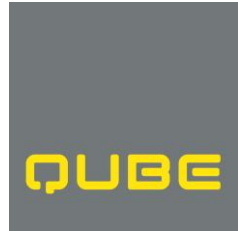
## **Corporate Governance Statement and Appendix 4G**

[qube.com.au](http://qube.com.au)

In accordance with Listing Rules 4.7 and 4.10.3, attached is a copy of Qube's Corporate Governance Statement and Appendix 4G.

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# Corporate Governance Statement

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Qube Holdings Limited

ACN 149 723 053

## Corporate governance statement

This Corporate Governance statement outlines the key aspects of Qube's corporate governance framework. The Board is committed to the highest standards in corporate governance and believes that good governance plays a major role in Qube's success. As at the date of this report, Qube's governance practices comply with the ASX Corporate Governance Council recommendations (**Recommendations**) except as noted below.

Also listed below are matters required to be disclosed by the Recommendations.

Information about the governance framework, the policies and charters referred to in this statement can be found on Qube's website at [www.qube.com.au](http://www.qube.com.au).

### ***Principle 1 – Lay solid foundations for management and oversight***

The Board is responsible to shareholders for the long term performance of Qube and for overseeing the implementation of the highest standards of corporate governance with respect to Qube's affairs.

To assist the Board in discharging its responsibilities, Qube has adopted a governance framework which provides for the delegation of functions to Board Committees and senior management (under the leadership of the Managing Director). Whilst ultimate accountability rests with the Board, the framework ensures that functions are carried out by the most appropriate person or group and that a tiered system of responsibility and accountability exists throughout Qube.

The Board operates under a formal charter which sets out its role and responsibilities, and which is available on Qube's website.

In summary, the Board is responsible for:

- Strategy – approving, directing, monitoring and assessing Qube's performance against strategic and business plans as well as approving and monitoring capital management including major capital expenditure, acquisitions and divestments.
- Risk Management – ensuring processes are in place to identify the principal risks of Qube's business and assessing the integrity of Qube's systems of risk management.
- Reporting and Disclosure – approving and monitoring financial and other reporting requirements, including reporting to shareholders and other stakeholders and establishing procedures to ensure compliance with Qube's continuous disclosure obligations.
- Management and Performance – evaluating the performance of the Managing Director, approving criteria for assessing, monitoring and evaluating the performance of senior executives, as well as undertaking an annual performance review of the Board's own effectiveness.
- Corporate Governance – establishing and monitoring Qube's compliance with corporate governance standards and encouraging ethical behaviour.

Non-executive directors are advised of the Board's Charter and the terms and conditions of their appointment in formal letters of appointment.

The Board has adopted a policy setting out a performance evaluation process for the Board. This policy provides that the performance of the Board, each of its committees and each director will be reviewed annually. The policy also sets out matters that will be considered relevant in assessing their performance.

Additionally, as part of this review, the Chairman may decide to meet with the Board as a whole and with each director individually to discuss the effectiveness of the Board and each of the committees.

Such reviews may also be conducted by an external consultant. Where an independent external consultant has been engaged to assist with the review, the Board will consider the results of the review and, where desirable, take steps to implement any recommendations for improving Board performance.

Performance evaluations for all board members were undertaken during the year in accordance with this process.

#### *Company Secretary*

The Company Secretary reports directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. All directors have access to the Company Secretary, who advises the Board and its committees on governance matters, monitors adherence to Board policies and procedures, and retains professional advisers at the Board's request.

#### *Management delegation, review and assessment*

The Board has delegated the day-to-day management of Qube's business to the Managing Director and management. The Managing Director and management regularly report to the Board to enable the directors to discharge their duties. Management and key staff performance is regularly reviewed.

To ensure appropriate oversight of the senior executive team, Qube has adopted a range of mechanisms which reinforce the accountability of the senior executive team for functions delegated to them and ensures their performance is assessed accordingly. The Board is responsible for setting the major goals, objectives and personal development programs for the Managing Director for the year ahead, and then assessing and measuring performance against such goals, objectives and programs.

The Managing Director reviews the performance of all senior executives who report to the Managing Director by way of formal review as appropriate throughout the year. As part of the review process, the Managing Director considers internal feedback, the individual's performance against requisite standards, and actively monitors their contribution to all aspects of Qube's performance and culture.

A comprehensive process for the evaluation of the performance of senior executives is also conducted on an annual basis. The results of these reviews are used by the Nomination and Remuneration Committee in determining future remuneration.

Performance evaluations for all senior executives were undertaken during the reporting period in accordance with this process.

#### *Gender diversity*

From financial year 2015, the Nomination and Remuneration Committee annually sets measurable objectives for achieving gender diversity and to annually assess both the objectives and Qube's progress in achieving them.

### ***Principle 2 – Structure the Board to add value***

#### *Board composition*

The Board of Qube has 8 members of which 7 are non-executive directors comprising Mr Chris Corrigan as Chairman, Mr Sam Kaplan as Deputy Chairman, Messrs Ross Burney, Allan Davies, Peter Dexter, Robert Dove and Alan Miles, and Mr Maurice James as Managing Director. The Board has also accepted the appointment of Messrs Åage Holm as alternate non-executive director to Mr Dexter, Simon Moore as alternate non-executive director to Mr Dove and Yoshiaki Kato as alternate non-executive director to Mr Miles.

The Board is balanced in its composition with each director bringing a range of complementary skills and experience to Qube. Further details regarding the relevant skills, experience, tenure and expertise of each director are set out in the Director's Report.

Messrs Chris Corrigan, Sam Kaplan and Allan Davies are considered by the Board to be independent directors. Qube complies with the Recommendation that the Chairman should be an independent director and, in particular, should not be the same person as the Managing Director.



Qube does not comply with the Recommendation that the majority of the Board be independent as only 3 of 8 existing directors are independent.

The directors believe, despite this, that the Board is appropriately structured given the extensive knowledge of each of the directors regarding Qube and its business divisions and their substantial experience and expert recognition in the logistics industry and other industries relevant to Qube's operations.

#### *Independence*

The Board will continually assess the independence of the directors appointed to the Board, the interests they have disclosed and such other factors as the Board determines are appropriate to take into account. In making this determination, the Board is seeking to assess whether directors are:

- independent of management;
- free of any business or other relationship that could materially interfere, or be perceived to materially interfere, with their unfettered and independent judgement; and
- capable of making decisions without bias and which are in the best interests of all members.

Factors to be considered when determining whether a non-executive director is to be regarded as an independent director include whether that director:

- is a substantial shareholder of Qube or an officer of, or otherwise associated directly with, a substantial shareholder of Qube;
- within the last three years has been employed in an executive capacity by any member of the Qube Group;
- within the last three years has been a partner or a senior management executive with audit responsibilities of a firm which has acted in the capacity of statutory auditor of any member of Qube;
- within the last three years has been a principal of a material professional adviser or a material professional consultant to any member of the Qube Group, or an employee materially associated with the service provided – for this purpose a material professional adviser/consultant is an adviser whose billings to Qube exceed 5% of the total revenues of the adviser/consultant;
- is a material supplier to, or material customer of, any member of the Qube Group, or an officer of or otherwise associated directly or indirectly with a material supplier or customer – for this purpose a material supplier to Qube means a supplier whose revenues from Qube exceed 5% of the supplier's total revenues and a material customer is a customer whose payments to Qube exceed 5% of the customer's operating costs;
- has a material contractual relationship with any member of Qube other than as a director; or
- has any interest or business or other relationship which could materially interfere with the director's ability to act in the best interests of Qube and independently of management.

These are only factors to be considered and are not determinative of whether a director is to be regarded as independent.

The Board has made the following determinations:

- Mr Chris Corrigan is an independent director.
- Mr Sam Kaplan is an independent director.
- Mr Ross Burney is not independent as he is associated with Taverners Group, a substantial shareholder of Qube.
- Mr Allan Davies is an independent director.
- Mr Peter Dexter is not independent as he is associated with the Wilhelmsen Group companies, a substantial shareholder of Qube.
- Mr Robert Dove is not independent as he is associated with Carlyle Infrastructure Partners, a substantial shareholder of Qube.

- Mr Allan Miles is not independent as he is associated with the Kawasaki Group companies, a substantial shareholder of Qube.

#### *Independent advice*

In order to assist directors in fulfilling their responsibilities, each director has the right (with prior approval from the Chairman) to seek independent professional advice regarding those responsibilities at the expense of Qube.

When a new director is appointed, he or she must undertake an induction program which includes information about Qube's strategies, objectives and values as well as Qube's governance framework and business operations as well as meetings with key senior management personnel. In addition, all directors have on-going access to information with respect to Qube's business operations and to members of senior management through Board presentations, strategic discussions and site visits.

#### *Board committees*

The Board has established three standing committees to assist with the effective discharge of its duties, as follows:

- Audit and Risk Management Committee
- Nomination and Remuneration Committee
- Safety, Health and Environment Committee

Further detail regarding the standing committees is set out in the table below.

All three committees have at least three members. Non-committee members, including the Managing Director, may attend committee meetings by invitation and generally do attend where appropriate.

Each committee operates under a specific Charter approved by the Board and the Charters are available on Qube's website. The Board regularly reviews the appropriateness of the existing committee structure, as well as the membership and Charter of each committee.

<b>Committee</b>	<b>Members and Composition</b>	<b>Role</b>
<b>Audit and Risk Management Committee</b>	<p>The members of the committee are:</p> <ul style="list-style-type: none"> <li>• Sam Kaplan (Chairman)</li> <li>• Allan Davies</li> <li>• Ross Burney</li> </ul> <p>The committee consists of a majority of independent directors and is chaired by an independent director.</p>	<p>The primary responsibility of the committee is to review the integrity of Qube's financial reporting process and to report the results of its activities to the Board.</p> <p>Other responsibilities of the committee include:</p> <ul style="list-style-type: none"> <li>• assessing internal controls;</li> <li>• confirming compliance with legal and regulatory obligations;</li> <li>• assessing the integrity of the financial reporting process;</li> <li>• overseeing the relationship with, and the independence of, the external auditor;</li> <li>• advising on the provision of non-audit services by the external auditor; and</li> </ul> <p>overseeing:</p> <ul style="list-style-type: none"> <li>▪ the establishment and implementation of Qube's enterprise-wide risk management systems and reporting;</li> <li>▪ reviewing Qube's risk</li> </ul>

Committee	Members and Composition	Role
<b>Nomination and Remuneration Committee</b>	<p>The members of the committee are:</p> <ul style="list-style-type: none"> <li>• Sam Kaplan (Chairman)</li> <li>• Chris Corrigan</li> <li>• Robert Dove</li> </ul> <p>The committee consists of a majority of independent directors and is chaired by an independent director.</p>	<p>management framework at least annually to satisfy itself that it continues to be sound;</p> <ul style="list-style-type: none"> <li>▪ Qube's compliance systems; and</li> <li>▪ Qube's corporate governance processes.</li> </ul> <p>The committee meets with external auditors on a regular basis.</p> <p>The responsibilities of the committee include:</p> <ul style="list-style-type: none"> <li>• overseeing the remuneration of non-executive directors;</li> <li>• reviewing and making recommendations to the Board on Qube's remuneration policies including senior executive remuneration and short term incentives ('STI');</li> <li>• reviewing Qube's superannuation arrangements;</li> <li>• making recommendations to the Board in relation to the implementation and operation of equity-based incentive plans and other employee benefit programs;</li> <li>• reviewing Qube's recruitment, retention and termination policies and fringe benefits;</li> <li>• reviewing the size, composition and necessary competencies of the Board and making recommendations to the Board on the appointment and removal of directors;</li> <li>• consideration of diversity in the context of director and senior executive succession planning;</li> <li>• establishing guidelines for the selection and appointment of new directors, including strategies to address diversity in the Board's composition; and</li> <li>• reviewing succession plans and overseeing the performance evaluation of</li> </ul>

Committee	Members and Composition	Role
		senior executives including the Managing Director.
<b>Safety, Health and Environment Committee</b>	<p>The members of the committee are:</p> <ul style="list-style-type: none"> <li>• Allan Davies (Chairman)</li> <li>• Peter Dexter</li> <li>• Allan Miles</li> <li>• Maurice James</li> </ul>	<p>The responsibilities of the committee include assisting the Board in fulfilling its strategy, policy, monitoring and corporate governance responsibilities in regard to safety, health, environment and operational (as they relate to SHE) matters, including:</p> <ul style="list-style-type: none"> <li>• Reviewing the strategies, systems, policies and processes established by Qube management to:               <ul style="list-style-type: none"> <li>(i) protect Qube's reputation;</li> <li>(ii) manage the environmental performance of Qube and its subsidiaries;</li> <li>(iii) monitor the adequacy of safety, health, environment and systems for the reporting of actual or potential incidences and breaches;</li> <li>(iv) monitor subsequent investigations and remedial actions;</li> </ul> </li> <li>• Compliance and related legal and regulatory obligations; and</li> <li>• Enterprise-wide risk management.</li> </ul>

#### *Appointment and re-election of directors*

When appointing new directors, the Board and the Nomination and Remuneration Committee will look to ensure that an appropriate balance of skills, experience, expertise and diversity is maintained. Any recommendations are presented to the full Board.

In considering the selection, appointment and re-election of directors, the Nomination and Remuneration Committee implements Qube's policy of maintaining a Board with a mix of skills, experience and diversity of backgrounds suitable for Qube's current and anticipated future circumstances. External consultants will be engaged to assist with the selection process as necessary and each Board member will have the opportunity to meet with the nominated director.

The Nomination and Remuneration Committee will assess candidates against a range of criteria developed for the role and in doing so consider their background, experience, personal qualities and professional skills. Following this assessment, the Committee will provide its recommendation of the preferred candidates for the Board to consider prior to making the appointment.

Directors receive formal letters of appointment setting out the key terms, conditions and expectations of their appointment. Directors to be re-elected are reviewed by the Nomination and Remuneration Committee. Directors are re-elected in accordance with the Qube Constitution and the ASX Listing Rules.

Key Priorities	Skills Matrix		
<i>Expansion and diversification of logistics activities</i>  <i>Organic growth from new and existing customers</i>  <i>Significant investment in facilities, equipment and acquisitions</i>  <i>Development of strategic assets</i>	- Strategic asset and infrastructure development  - Logistics supply chain  - Investment management  - Operations management  - Varying and dynamic market conditions	- Logistics networks  - Shipping, ports and stevedoring  - Bulk resources  - Mining  - Engineering  - Health and safety	- Infrastructure and asset development  - Construction, property development  - Government, regulatory, advice and policy
Other areas	- Managing Director experience  - Non-Executive Director experience	- Banking, Finance and Capital Markets  - Accounting, finance and audit	- Health and safety  - Legal and regulatory compliance  - Corporate Governance  - Human Resources

#### *Tenure and retirement*

Directors appointed to casual vacancies during any reporting period are required to stand for election at the next general meeting of members.

All directors, excluding the Managing Director, are required to retire and, if eligible, stand for re-election by members at least once every three years. Before recommending the re-election of any director to members, the Board has regard to the recommendations of the Nomination and Remuneration Committee, any relevant performance assessments and the mix of skills, experience and expertise represented on the Board at the time.

Directors required to retire at a meeting, or only hold office until that meeting, are eligible for re-election or election (as appropriate).

Where incumbent directors are to be nominated for re-election, their performance is reviewed by the Nomination and Remuneration Committee. The committee then makes recommendations to the Board as to their nomination for re-election. The Board then makes recommendations to shareholders in the Notice of Meeting concerning the election or re-election of any director.

#### *Induction and training*

Upon appointment, directors receive an induction pack which includes:

- a letter of appointment, which refers to and summarises the securities dealing policy and the shareholder communication policy;
- a copy of the code of conduct and ethics;
- a directors' interests disclosure agreement; and
- a deed of indemnity, insurance and access.

At this time, directors are also introduced to the senior executive team and receive a briefing in relation to meeting arrangements and the culture and values of Qube.

Qube recognises the importance of providing continuing professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively, as well as to enhance their knowledge of the Group and the industries in which it operates. As part of the Board's on-going development program, directors attend an annual off-site planning and strategy session which includes briefings on current and future projects. Additionally, several Board meetings each year are held at operational locations and typically include site visits to supplement the Board's knowledge and understanding of Qube's operations.

### ***Principle 3 - Promote ethical and responsible decision-making***

#### *Code of conduct and ethics*

Qube is committed to conducting its business in accordance with the highest standards of ethical behaviour. All directors, managers and employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of Qube. Accordingly, Qube has established policies in order to maintain confidence in Qube's integrity and encourage compliance with both legal obligations and stakeholder expectations.

Qube's code of conduct and ethics sets out obligations in relation to Qube's fair dealing, insider trading, equal opportunity, privacy and confidentiality, health and safety, the environment, gifts and favours, conflicts of interest, expenses and claims, and use of company property.

The code is also available on Qube's website at [www.qube.com.au/about/corporate-governance](http://www.qube.com.au/about/corporate-governance).

Notwithstanding the above policy, employees are encouraged to report unacceptable behaviour to their nominated supervisors or the Company Secretary at first instance.

Qube recognises the value of attracting and retaining employees with different knowledge, abilities and experiences and is committed to creating a working environment that is fair and flexible, promotes personal and professional growth, and benefits from the capabilities of its diverse workforce.

#### *Diversity*

Qube believes that a talented and diverse workforce is a key driver of competitiveness and Qube's success is a reflection of the quality and skills of its people. Qube is committed to providing equal employment opportunities and fostering an environment which attracts, welcomes and retains a diverse and talented workforce, and to treating people equitably with respect, dignity and fairness.

Diversity recognises and values the contribution of people with differences in capabilities, experience and perspectives.

Diversity encompasses gender, age, ethnicity, religious, and cultural backgrounds.

Qube is committed to:

- attracting and retaining well-qualified employees, senior management and Board members from a deep talent pool;
- eliminating artificial, unfair and inappropriate barriers to workplace and Board participation and facilitating equal employment opportunities based on merit, performance and potential;
- taking action against inappropriate workplace behaviours including discrimination and harassment;
- providing the opportunity for workplace flexibility when meeting business requirements; and
- creating an inclusive workplace culture, recognising that people are different and valuing those differences.

Qube policy also requires that all positions at Qube are filled on the basis of merit. This means that applicants for positions for which a formal recruitment process is undertaken will be assessed on the basis of the competencies they possess in relation to the requirements of the job. Merit-based selection ensures the opportunity exists for all applicants to demonstrate their competencies for the position being offered.

### *Gender diversity*

Qube's diversity policy includes a requirement for the Nomination and Remuneration Committee to establish measurable objectives for achieving gender diversity or to assess any such objectives or progress towards achieving them. The proportion of women employees throughout the Qube Group is currently approximately 8%. The proportion of women employees in senior executive positions is currently approximately 11%. There are currently no women on the Board.

### *Conflicts of interest*

All directors are required to disclose any actual or potential conflict of interest at the time of their appointment and are required to keep these disclosures up to date.

Directors who have a conflict of interest in relation to a particular item of business being considered by the Board must absent themselves from the Board meeting before commencement of discussion on the topic.

### *Dealing in Qube's securities*

The Board has adopted a securities dealing policy which provides guidance to directors and employees regarding dealing in Qube securities. All directors, executives and employees are prohibited from trading in Qube's securities, related financial products and derivatives whenever they have price sensitive information which is not generally available.

Qube also provides informal briefing sessions on the policy for directors, senior executives and relevant employees of Qube as part of its continuing employee education initiatives. A copy of the policy is available on Qube's website.

### **Principle 4 - Safeguard integrity in financial reporting**

The Board has an Audit and Risk Management Committee whose terms of reference and procedures govern its responsibilities and composition requirements.

The Audit and Risk Management Committee assists the Board in fulfilling its statutory responsibilities in relation to financial reporting, risk management and internal control. The committee's responsibilities have been outlined under Principle 2 - Structure the Board to add value. The Recommendation that a majority of members of the Audit and Risk Management Committee be independent and be chaired by an independent director was satisfied from September 2012.

The Audit and Risk Management Committee also monitors procedures to ensure the rotation of external audit engagement partners every five years as required by the Corporations Act. If circumstances arise where it becomes necessary to replace the external auditor, the Audit and Risk Management Committee will formalise a process for the selection and appointment of a new auditor and recommend to the Board the external auditor to be appointed to fill the vacancy. Policies are also in place to restrict the type of non-audit services which can be provided by the external auditor and there is a detailed review of non-audit fees paid to the external auditor.

Qube's external auditor is PricewaterhouseCoopers (PwC). All Audit and Risk Management Committee papers are available to the external auditor, and they are invited to attend all committee meetings and are available to committee members at any time. The external auditor also attends the AGM to answer any questions from shareholders.

As Qube's external auditor, PwC is required to confirm its independence and compliance with specified independence standards on a half-yearly basis. This declaration is contained in this Annual Report.

### **Principle 5 - Make timely and balanced disclosure**

Qube is committed to providing timely, open and accurate information to all of its stakeholders including shareholders, employees, regulators and the investment community.

The Board has adopted a disclosure policy that sets out Qube's approach to continuous disclosure and to external announcements generally. The policy provides an outline of Qube's continuous disclosure obligations and sets out the measures it has implemented to ensure compliance with these obligations, including listing the kind of matters that would generally require disclosure.

The policy also provides guidelines for the management of external announcements and specifies Qube's authorised spokespeople.



A copy of the Continuous Disclosure Policy is publicly available on Qube's website.

In accordance with the policy, senior executives that become aware of potentially price-sensitive information must immediately report this to Qube's disclosure officers, being either the Managing Director or Company Secretary.

Although the Board has ultimate responsibility for ensuring that Qube complies with its continuous disclosure obligations, the Board has delegated Qube's disclosure officers responsibility for overseeing compliance with Qube's continuous disclosure policy.

The Board reviews the continuous disclosure policy at appropriate times to ensure it is effective and remains consistent with relevant laws and ASX requirements.

#### ***Principle 6 - Respect the rights of shareholders***

Qube is committed to the delivery of timely and relevant information to its shareholders and to the broader investment community. Shareholders are provided with access to on-line half yearly and annual reports and have the option of receiving hard copies of these documents if required.

The website also provides a broad range of information about Qube and is updated regularly. All Qube announcements are available on the website.

The Board encourages full participation by shareholders at the AGM to ensure accountability and transparency. The external auditor will attend the AGM to answer shareholder queries about the Auditor's Report.

#### ***Principle 7 - Recognise and manage risk***

##### ***Oversight and management of material business risks***

The Board is responsible for the oversight of Qube's risk management and control framework. The Audit and Risk Management Committee and Safety, Health and Environment Committee assist the Board in fulfilling its responsibilities in this regard by reviewing and monitoring the financial and reporting aspects of Qube's risk management and control framework at least annually, to satisfy itself that the framework continues to be sound. A copy of the Risk Management Policy is available on Qube's website at [www.qube.com.au/about/corporate-governance](http://www.qube.com.au/about/corporate-governance).

The Audit and Risk Management Committee conducted its review of Qube's risk management framework for this reporting period.

As required by the Board, management has implemented a policy framework designed to ensure that Qube's material business risks are identified and that adequate controls are in place and function effectively, and for management to report to the Board on whether those risks are managed effectively. This framework incorporates the maintenance of comprehensive policies, procedures and guidelines which span Qube's diverse activities, including setting financial controls, conducting business audits, investment and acquisition overview, and ensuring high standards in corporate communications and external affairs.

Responsibility for control and risk management is delegated to the appropriate level of management within Qube with the Audit and Risk Management Committee and Safety, Health and Environment Committee having ultimate accountability to the Board for the risk management and control framework.

##### ***Risk management and internal control system***

Qube does not have an internal audit function. Qube employs a risk management framework for evaluating and continually improving the effectiveness of its risk management and internal control processes. The risk management framework incorporates input from a range of existing systems, programs and policies including:

- a comprehensive occupational health and safety program, including specific targets for continuous improvement, occupational health and safety standards, rail safety standards and safety management systems, all of which are monitored and reviewed to achieve compliance with applicable legislation and regulations;
- a delegation of authority policy, including guidelines and approval limits for operational and capital expenditure and investments;
- a comprehensive annual insurance program;
- a Board-approved finance policy;



- annual budgeting and monthly reporting systems for all divisions to monitor performance against budget targets;
- the identification and assessment of strategic risks in the annual review and updating of strategic plans and associated business models; and
- an environmental regulation compliance policy and improvement strategies.

#### *Management assurance*

In accordance with section 295A of the Corporations Act 2001 and recommendation 7.3 of the ASX Principles, the Managing Director and the Chief Financial Officer provided assurances to the Board attesting that to the best of their knowledge and belief:

- Qube has determined its material exposure to risks, and has established the necessary policies for the oversight and management of material business risks;
- there is a risk management and internal control system in place to manage Qube's exposure to material business risks, including both financial and non-financial (including environmental and social sustainability) risks, and to ensure that those risks are being managed effectively;
- the integrity of the financial statements is founded on a sound system of risk management and internal control and compliance; and
- Qube's risk management and internal control and compliance system is operating efficiently and effectively in all material respects regarding financial reporting risks.

The Managing Director and the Chief Financial Officer require that management of the business divisions and of the corporate function complete a declaration on a six monthly basis for each financial reporting period addressing financial reporting and the internal control environment.

The assurances provided to the Board, due to their nature, are not absolute. The assurances provided are based on judgements, use of sample testing and the inherent limitations of internal control.

#### ***Principle 8 - Remunerate fairly and responsibly***

The Nomination and Remuneration Committee reviews and makes recommendations to the Board on remuneration packages and policies applicable to the Managing Director, non-executive directors and, where appropriate, senior executives.

The committee may also review and make recommendations regarding the policies applicable to staff salary reviews generally. One of the requirements of the committee is to ensure remuneration levels are competitively set in order to attract and retain appropriately qualified and experienced directors and senior executives.

The duties of the Nomination and Remuneration Committee have been outlined under Principle 2 - Structure the Board to add value.

Qube's approach to non-executive director, Managing Director and senior executive remuneration is set out in the Remuneration Report.

Qube's remuneration framework is designed to support the strategies, objectives and future direction of the business by attracting and retaining high calibre individuals. The level and mix of remuneration of non-executive directors and other senior executives is determined by reference to the market via survey data and may include input from external professional remuneration consultants.

The remuneration framework clearly distinguishes the remuneration structure for non-executive directors from that of the Managing Director and other senior executives and Qube does not have any schemes or retirement benefits (other than superannuation) in place for its non-executive directors.

Qube has established an executive long term incentive plan under which participating executives are granted performance rights that vest over a three to five year period depending on achievement of certain performance conditions.

Qube's securities dealing policy includes a prohibition on entering into transactions in financial products which limit the economic risk of holding unvested entitlements under any equity-based remuneration schemes. A copy of the policy is available on Qube's website.

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

Qube Holdings Limited

ABN/ARBN

14 149 723 053

Financial year ended

30 June 2014

Our corporate governance statement<sup>2</sup> for the above period above can be found at:<sup>3</sup>


☐ these pages of our annual report: \_\_\_\_\_

☒ this URL on our website: [www.qube.com.au/about/corporate-governance](http://www.qube.com.au/about/corporate-governance)

The Corporate Governance Statement is accurate and up to date as 13 October 2014 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date here: 13.10.14

Sign here:   
Company secretary

Print name: William Hara

<sup>1</sup> Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

<sup>2</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

<sup>3</sup> Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <b>NOT</b> followed the recommendation in full for the whole of the period above. We have disclosed ...
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
1.1 A listed entity should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	<p>... the fact that we follow this recommendation:  <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> at this location:  <i>Insert location here</i></p> <p>... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management):  <input checked="" type="checkbox"/> in our Corporate Governance Statement  <input type="checkbox"/> at this location:  <i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<p>... the fact that we follow this recommendation:  <input checked="" type="checkbox"/> for 1.2(a) in our Corporate Governance Statement <b>and</b>  <input checked="" type="checkbox"/> for 1.2(b) at this location:            'Information on Directors' section of the Qube 2014 Annual report  <i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<p>... the fact that we follow this recommendation:  <input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> at this location:  <i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <b>OR</b>  <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>



Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.5 A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (i) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	... the fact that we have a diversity policy that complies with paragraph (a): <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at this location: The Corporate Governance Statement notes relevant sections of Qube's diversity policy. The full policy can be found at <a href="http://www.qube.com.au/about/corporate-governance">www.qube.com.au/about/corporate-governance</a> ... and a copy of our diversity policy or a summary of it: <input checked="" type="checkbox"/> at this location: <a href="http://www.qube.com.au/about/corporate-governance">www.qube.com.au/about/corporate-governance</a> ... the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i> ... and the information referred to in paragraphs (c)(1) or (2): <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at this location:	<input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location: _____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location: _____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location: _____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location: _____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE</b>			

<p>Corporate Governance Council recommendation</p>	<p>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</p>	<p>We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...</p>
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <u>OR</u></p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><a href="http://www.qube.com.au/about/corporate-governance">www.qube.com.au/about/corporate-governance</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>2.1(a)(4): Corporate Governance section</p> <p>2.1(a)(5): 'Directors Report' section of the Qube 2014 Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>



Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	<p>... our board skills matrix:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p><i>Insert location here</i></p> <p>... where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p><i>Insert location here</i></p> <p>... the length of service of each director:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location:</p> <p><i>Insert location here</i></p> <p>'Information on Directors' section of the Qube 2014 Annual Report</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.4	A majority of the board of a listed entity should be independent directors.	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p><i>Insert location here</i></p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<b>PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY</b>			
3.1	<p>A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	<p>... our code of conduct or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>_____</p> <p><i>www.qube.com.au/about/corporate-governance</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<b>PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>_____</p> <p><i>www.qube.com.au/about/corporate-governance</i></p> <p>... and the information referred to in paragraphs (4) and</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



<p>Corporate Governance Council recommendation</p>	<p>attendances of the members at those meetings; <b>OR</b></p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>We have followed the recommendation in full for the whole of the period above. We have disclosed ...</p> <p>(5): <input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> at this location:</p> <p>4.1(a)(4) 'Information on Directors' section of the Qube 2014 Annual report.</p> <p>4.1(a)(5) 'Directors Report' section of the Qube 2014 Annual report.</p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p>We have <b>NOT</b> followed the recommendation in full for the whole of the period above. We have disclosed ...</p>
<p>4.2</p>	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at this location: _____ <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at this location: www.qube.com.au/about/corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at this location: www.qube.com.au/about/corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at this location: www.qube.com.au/about/corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at this location: Investor Relations Program, available at www.qube.com.au/about/corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Investor Relations Program, available at <a href="http://www.qube.com.au/about/corporate-governance">www.qube.com.au/about/corporate-governance</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <u>OR</u></p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><a href="http://www.qube.com.au/about/corporate-governance">www.qube.com.au/about/corporate-governance</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>7.1(a)(4): Corporate Governance Statement 7.1(a)(5): 'Directors Report' section of the Qube 2014 Annual Report.</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
	<input type="checkbox"/> at this location: <div style="border-bottom: 1px solid black; width: 100%;"></div> <i>Insert location here</i>	
7.2 The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at this location: <div style="border-bottom: 1px solid black; width: 100%;"></div> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; <u>OR</u> (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at this location: <div style="border-bottom: 1px solid black; width: 100%;"></div> <i>Insert location here</i>  [If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes:  ... how our internal audit function is structured and what role it performs: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input checked="" type="checkbox"/> at this location: Risk Management Policy at <a href="http://www.qube.com.au/about/corporate-governance">www.qube.com.au/about/corporate-governance</a>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Risk Management Policy found at <a href="http://www.qube.com.au/about/corporate-governance">www.qube.com.au/about/corporate-governance</a></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>		
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; <u>OR</u></p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p><a href="http://www.qube.com.au/about/corporate-governance">www.qube.com.au/about/corporate-governance</a></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>8.1(a)(4) Corporate Governance Statement</p> <p>8.1(a)(5): 'Directors Report' section of the Qube 2014 Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
	<p>executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	
8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>_____</p> <p>'Remuneration Report' section of the Qube 2014 Annual Report</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3 A listed entity which has an equity-based remuneration scheme should:	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> at this location:</p> <p>Securities Trading Policy at www.qube.com.au/about/corporate-governance</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>		
<p>- <i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>



Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>- <i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>