



# QTC Capital Markets Board Charter

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<b>Title:</b>	QTC Capital Markets Board Charter
<b>Approved by:</b>	QTC Capital Markets Board
<b>Responsible lead:</b>	Executive Director – Company Secretary
<b>Reviewer:</b>	Director – Governance and Performance
<b>Audience:</b>	Public
<b>Brief description:</b>	Sets out the role, responsibilities, authorities, composition, structure and operation of the QTC Capital Markets Board
<b>Periodicity of reviews:</b>	Annual
<b>Date of last review:</b>	11 December 2024 (updated 11 June 2025)

# 1. Overview and purpose

Queensland Treasury Corporation (QTC) is the Queensland Government's central financing authority, holding a statutory mandate to provide financial resources and services to enhance the financial position of the State. Established under the *Queensland Treasury Corporation Act 1988* (QTC Act), QTC is a corporation sole, reporting through the Under Treasurer to the Treasurer and Queensland Parliament.

QTC's governance framework is incorporated in the QTC Act, the Instrument of Delegation to the QTC Capital Markets Board (the Board), the Performance and Operating Agreement between QTC and the Board, the *Financial Accountability Act 2009*, the *Public Sector Ethics Act 1994* and Government standards.

The Board was established under section 10(1) of the QTC Act with the Governor in Council's approval via Executive Council Minute 2273 on 29 August 1991.

The Board is committed to sustaining the high standards of governance, transparency and accountability expected in the public sector.

This charter sets out the role, responsibilities, authorities, composition, structure and operation of the Board.

## 1.1 Relationship with State Investment Advisory Board

The State Investment Advisory Board (SIAB) was established in 2008 as an advisory board of QTC under section 10(1) of the QTC Act to manage the State's long term assets independent of the QTC Capital Markets Board.

The responsibilities of the Board as detailed in this charter do not extend to the responsibilities delegated to SIAB pursuant to clause 3 of the Instrument of Delegation.

The Board relies on SIAB and related parties for state investment operations disclosures in the financial statements.

# 2. Role of the Board

The Board is responsible for ensuring that QTC achieves its objectives in accordance with legislative and regulatory obligations, fulfills QTC's purpose and maintains the corporation's sustainability. It is accountable to QTC's corporation sole, the Under Treasurer of Queensland, who has instructed that the Board is delegated with the corporation sole's powers under the QTC Act so operates effectively as the corporation sole, and is expected to exercise the corporation sole's delegated powers consistent with modern best practice corporate governance principles.

The Board fulfills its duties through the following key functions:

- taking responsibility for the corporate governance of QTC
- setting strategic direction, policies and risk appetite
- promoting and monitoring the organisational culture
- monitoring the implementation of QTC's strategy
- ensuring the effectiveness of the risk management framework
- monitoring QTC's financial and business performance
- ensuring compliance with legal and regulatory obligations
- ensuring integrity of reporting, and
- safeguarding the reputation of QTC.

# 3. Responsibilities of the Board

QTC's Performance and Operating Agreement sets out the objectives and functions for which the Board may exercise its delegated powers. The Board has the following responsibilities.

## Leadership

- Ensure effective corporate governance
- Ensure QTC achieves its objectives within its legislative and regulatory obligations
- Ensure ongoing sustainability of QTC

## Strategy

- Approve the Strategic Plan and strategic direction of QTC
- Approve the annual Corporate Plan
- Monitor implementation of the strategy

## Culture

- Model and monitor organisational culture

## Stakeholder

- Safeguard the reputation of QTC
- Monitor stakeholder engagement to support QTC's objectives

## Finance

- Approve the annual budget
- Approve the total full-time equivalent complement
- Approve major contracts and agreements in accordance with Authorisations Policy limits
- Approve the budget for overseas travel
- Make recommendations to the Under Treasurer for the approval of overseas travel
- Monitor QTC's financial performance
- Approve the annual financial statements (including identification of Key Management Personnel)
- Approve dividend payments to the shareholder

## Risk

- Approve and ensure the effectiveness of QTC's risk management framework
- Set risk appetite
- Monitor risk
- Ensure the effectiveness of QTC's system of internal control
- Ensure the effectiveness of QTC's business continuity and crisis management framework

## Remuneration

- Approve the Remuneration Framework
- Approve the fixed and variable remuneration pool, and short-term incentive (STI) targets

## Performance

- Approve the annual report
- Approve the annual corporate performance measures
- Monitor corporate performance against agreed target outcomes
- Approve the annual assessment of corporate performance
- Evaluate Board and Board committee performance
- Monitor Board member tenure, composition, professional development and succession planning

## Chief Executive Officer and Senior Leadership

- Appoint, dismiss and plan for succession of the Chief Executive Officer
- Approve the annual performance and development objectives of the Chief Executive Officer
- Approve an annual assessment of the Chief Executive Officer's performance
- Approve the Chief Executive Officer's STI targets, and remuneration and STI outcomes
- Monitor performance and succession planning of Managing Directors

## Policy

- Approve Board-owned policies:
  - Authorisations Policy
  - Capital Policy
  - Code of Conduct
  - Corporate Governance Policy
  - Dividend Policy
  - Enterprise Risk Management Policy
  - Remuneration Framework
  - Risk Appetite Statement
  - Work Health and Safety Policy
- Note committee-owned policies
- Approve the QTC Capital Markets Board Charter and Board committee charters

## Compliance

- Ensure compliance with legal and regulatory obligations

## Internal Audit

- Monitor internal audit outcomes
- Approve the appointment of the outsourced internal auditor

## External Audit

- Monitor external audit outcomes

## General

- Undertake any task assigned to the Board by the Corporation Sole.

# 4. Delegations

The Board has been delegated powers by the Under Treasurer as QTC's corporation sole. The Board and the Under Treasurer have agreed the terms and administrative arrangements that govern the exercise or performance of those powers and the reporting requirements.

The Board can delegate its powers, other than those which by law must be dealt with by the Directors as a Board, to its committees or to the Chief Executive Officer who can further delegate authority to appropriately qualified employees of QTC, as detailed in the Authorisations Policy.

## 5. Board committees

The Board may establish Board committees to assist in fulfilling its corporate governance responsibilities effectively and efficiently.

The Board has adopted the following principles regarding establishment and operation of its committees.

- The Board approves a separate charter for each committee, which may include the overview and purpose, authority, responsibilities, composition and structure, operation, reporting and performance assessment of the committee.
- The Board delegates certain authorities and responsibilities to its Board committees, which are outlined in the respective committee charters.
- The Board committees report to the Board. The committees refer their recommendations to the Board for approval, and present their decisions (made under delegated authority from the Board) and other relevant information to the Board for noting at the next available Board meeting.
- The Board will appoint, replace or remove members to and from the committees, and review the composition periodically.
- The Chair of each committee will be appointed by the Board Chair. Where a committee Chair is unavailable for a meeting, the committee Chair will delegate another committee member to act in that capacity.
- Committees will maintain appropriate records and papers. All Board members will have access to committee papers on request.

The Board has established four Board committees, and has delegated authority to them, as outlined in the below table.

Board committee	Delegated authority from the Board to approve
Advisory and Consulting Committee (ACC)	
Funding and Markets Committee (FMC)	<ul style="list-style-type: none"> <li>▪ FMC-owned policies</li> </ul>
People and Culture Committee (PCC)	<ul style="list-style-type: none"> <li>▪ PCC-owned policies</li> </ul>
Risk and Audit Committee (RAC)	<ul style="list-style-type: none"> <li>▪ RAC-owned policies</li> <li>▪ Payment Times Report (a requirement under the <i>Payment Times Reporting Act 2020 (Cth)</i>)</li> <li>▪ Internal Audit Plan and budget</li> <li>▪ Addition and closure of audit actions arising from internal and external audits</li> </ul>

## 6. Structure and composition

### 6.1 Composition

The Board is generally comprised of seven members. The Chair and Board members are appointed by the Governor in Council for a set term.

### 6.2 Role of the Chair

The primary role of the Chair is to:

- chair Board meetings and ensure the effectiveness of those meetings
- lead the Board and facilitate constructive and professional contributions by all Board members, and
- ensure the Board functions effectively and efficiently as a whole in discharging its responsibilities.

The main point of contact between the Chief Executive Officer and the Board is the Chair. Accordingly, the Chair should be kept fully informed of all matters of relevance and interest to Board members.

The Board Chair may resign by signed notice to the Under Treasurer.

## 6.3 Role of Board members

Board members are individually responsible to ensure that the Board fulfills its role as set out in this charter and are required to comply with their legal duties and obligations when discharging their responsibilities as directors.

All Board members should:

- discharge their duties in good faith and honesty in the best interests of QTC with the level of skill and care expected
- use the powers of the office for proper purpose, in the best interests of QTC as a whole
- act with required care and diligence and show commercial reasonableness in decisions
- avoid conflicts of interest
- not make improper use of information gained through their position as Board member
- not allow personal interests, or the interest of any associated person, to conflict with the interests of QTC
- make reasonable enquiries to understand that QTC is operating legally, effectively and efficiently in achieving its objectives and goals
- undertake diligent analysis of all proposals placed before the Board, and
- serve on Board committees as required.

Board members should understand QTC's organisational structure, operations and industry, together with key developments relevant to QTC and may receive periodic presentations to assist with achieving that understanding. All new Board members undergo an induction program to enable them to participate in the Board's activities and decision making at the earliest opportunity. Board members are required to maintain, update and enhance their skills, knowledge and experience through relevant professional development activities.

Board members are expected to commit the time necessary to effectively discharge their role as a director.

A Board member may resign by signed notice given to the Chair who will advise the Under Treasurer. Alternatively, a Board member may resign directly to the Under Treasurer.

### 6.3.1 Conduct

Board members are expected to perform their duties with integrity, honesty and in a professional manner, and to exercise good business judgment on matters before the Board. Each Board member is required to comply with QTC's Code of Conduct that outlines practices necessary to maintain confidence in QTC's integrity and guide compliance with legal and other obligations.

Directors are expected to represent QTC in an appropriate manner and always safeguard its reputation in the community.

### 6.3.2 Access to information

Requests for access to corporate information should be directed through the Company Secretary, or otherwise as agreed with the Chair, to ensure maintenance of communication lines.

It is the responsibility of each Board member to ensure they can access the Board portal and review the information provided to discharge their responsibilities as a Board member.

### 6.3.3 Advice to support independent decision making

Board members may, with the prior approval of the Chair, seek independent professional advice (including legal, accounting or other advice by experts or consultants) in relation to the performance of their Board duties at QTC's expense. The expense is limited to \$5000 for any one issue, unless otherwise approved by the Chair.

### 6.3.4 Confidential information

Board members should:

- maintain Board matters in a confidential manner separate from any other business or responsibilities of the member, and
- not circulate Board papers or communicate their contents.

### 6.3.5 Declaration of interests

#### Guidelines

Each Board member must avoid conflicts of interest. Each Board member declares their interests annually and on an ongoing basis. Board members are encouraged to consult with the Chair, as necessary.

A Board member should promptly disclose:

- any material personal interest they have in a matter that relates to the affairs of QTC, and
- any other interest that the Board member believes is appropriate to disclose to avoid an actual, perceived or potential conflict of interest.

The disclosure should be made as soon as practicable after the Board member becomes aware of their interest of an actual, perceived or potential conflict of interest. Details of the disclosure must be recorded in the minutes of the meeting at which the disclosure is made or the next meeting after the disclosure.

#### Procedure

A Board member with interests may not be present at a meeting while the matter is being considered, nor vote on the matter. Board members without an interest in the matter can agree that the interest should not disqualify such Board member from being present while the matter is being considered, and from voting on the matter.

The minutes of the meeting should record the decision taken by the Board members who do not have an interest in the matter.

A Board member may not participate in a decision for which they have been delegated authority within a QTC policy/procedure document where they have an actual or perceived conflict of interest. The Board Chair can nominate an alternate Board member to hold that delegation for the matter. In the case where the Board Chair has a conflict, the Board members without an interest in the matter will collectively make the decision.

The minutes of the next Board meeting should record the alternate delegation of authority that was agreed, as well as the decision ultimately taken in the matter.

#### Annual declaration of compliance

Each year, Board members will be requested to complete a declaration of compliance to provide confirmation that they have complied with:

- the key obligations set out in the Board Charter
- the requirement for confidentiality
- declaring and avoiding conflicts of interest
- the Code of Conduct
- the requirements for receiving entertainment and gifts, and
- QTC's values.

### 6.3.6 Remuneration and expenses

Board members' remuneration is determined by the Governor in Council. The remuneration is disclosed annually in QTC's financial statements.

Board members (excluding the ex officio member from Queensland Treasury who is not remunerated by QTC) are entitled to the payment or reimbursement of expenses directly related to the member's role on the QTC Board. These may include professional memberships and reasonable travel expenses, and will be administered in accordance with the Authorisations Policy.

## 6.4 Role of Company Secretary

The Company Secretary is primarily responsible for ensuring that Board processes and procedures run efficiently and effectively, and in accordance with high standards of corporate governance. The Company Secretary works with the Chair and the Chief Executive Officer on all matters relating to the functioning of the Board.

The Company Secretary's responsibilities include:

- being the main point of contact for the Board and QTC staff members about Board matters
- coordinating all Board business including agendas and papers, recording minutes of the Board meetings, and maintaining all Board records
- coordinating the induction of new Board members
- facilitating the Board's and committees' self-assessment process and outcomes, and
- coordinating with relevant bodies on the reporting requirements under the QTC Act, the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2019* and all statutory and other filings.

## 7. Operation

### 7.1 Meetings

The Board will meet at least six times per calendar year and will decide the times and places for meetings of the Board. Dates of meetings should be agreed before the beginning of each calendar year. Meetings may be held in person, or by telephone, video or internet conferencing.

Additional meetings may be convened by any Board member giving reasonable notice to every other Board member, together with an agenda for that meeting that has been approved by the Chair.

The Company Secretary is a standing attendee at all Board meetings.

The Chair may request that QTC staff or external parties attend meeting/s of the Board.

### 7.2 Quorum and decisions

Meetings shall only proceed when a quorum is reached. A majority of Board members must be present to provide a quorum.

If the Chair is not present at a Board meeting and has not appointed an Acting Chair, the Board members must elect a member who is present as Acting Chair for that meeting.

A motion will be passed by a simple majority of votes cast in favour by Board members present who are not excluded from voting on the motion. Each Board member including the Chair has one vote. If a vote is tied, the Chair will have a casting vote.

No decision will be made about a financial arrangement that requires a guarantee to be given under Section 33 of the QTC Act, unless the Board member appointed from Queensland Treasury is present.

At the discretion of the Chair, decisions may be made without a Board meeting if a majority of Board members vote 'in favour of' or 'opposed to' the out-of-session decision. Out-of-session voting may be undertaken in person or through the use of technology. The outcome of an out-of-session decision must be recorded.



### 7.3 Agenda and papers

As far as practical, the Board should agree an annual work plan before the beginning of each calendar year, noting that it may consider other or additional matters in response to changes in QTC's operations and environment. The annual meeting plan will cover all the responsibilities of the Board outlined in this charter.

The agenda for each meeting will be determined by the Chair in consultation with the Company Secretary.

Board papers are approved by the Chief Executive Officer and the Board Chair prior to circulation to Board members. Papers are to be distributed at least three business days before each meeting. Board papers will not be distributed on the day of the meeting unless approved by the Chair.

### 7.4 Minutes

The Board must keep minutes that record the proceedings, decisions and actions arising from all meetings.

The draft minutes of meetings will be distributed to the Chair for review within a week of the meeting, and then to Board members for review and comment. Draft minutes will then be presented for approval at the next Board meeting.

### 7.5 Records

All Board records will be maintained by the Company Secretary.

All Board papers and approved minutes will be stored in QTC's records management system and distributed to members through the Board portal.

## 8. Reporting

The Board will provide periodic reports, and promptly escalate any issues that could present a material risk or threat to the corporation or the financial position of the State, to QTC's corporation sole, the Under Treasurer of Queensland.

## 9. Performance

The Board will undertake an annual self-assessment of its performance against the requirements of this charter.

The Board will review this charter at least every two years to ensure it remains current and consistent with good governance practice and with QTC requirements. Any proposed changes will be provided to the Board for approval.