

Conflict of interest standard

1. Brief description

Personnel are required to act in the best interests of Western Power when performing their direct or indirect employment or engagement with Western Power. Actual, potential or perceived conflicts of interest must not affect Western Power's business or its reputation.

The proper management of conflicts of interest maintains the integrity of operational and administrative decisions made by Western Power, and ensures that stakeholders retain confidence in Western Power.

1.1 Related policies

This Standard is made under and supports the Code of Conduct.

The COI Procedure is made under and supports this Standard and sets out the process for disclosing and managing a conflict of interest (including a Gift).

1.2 Purpose

This Standard provides guidance on how Personnel can identify and manage a conflict of interest so as to:

- (i) serve both the public interest and the interests of Western Power by ensuring Personnel make every decision on its merits, without regard to any personal interest, bias or opinion
- (ii) support transparency and independent scrutiny of decision making
- (iii) promote individual responsibility for disclosing and managing a conflict of interest
- (iv) foster a supportive organisational culture within Western Power that facilitates disclosure and discussion of conflicts of interest.

1.3 Scope

This Standard applies to all of Western Power's business activities and operations and is mandatory for every member of Personnel. In this Standard Personnel means:

- (i) employees, officers and directors of Western Power
- (ii) embedded Contractors engaged by Western Power, when performing activities on behalf of Western Power.

For the avoidance of doubt, this Standard does not apply to External Consultants or Contractors. Further explanation of External Consultants and Contractors can be found at 2.2.

1.4 Outcomes

This Standard provides:

- (i) assistance to Personnel in understanding:
 - a) what a conflict of interest is and the circumstances in which a conflict of interest may arise
 - b) how to identify, disclose and manage a conflict of interest
 - c) the legal requirements governing a conflict of interest
 - d) the consequences of failing to disclose a conflict of interest in compliance with this Standard
- (ii) guidance on specific conflict risk areas that may affect Western Power's operations.

1.5 Principles

The fundamental principles of this Standard are:

- (i) Personnel must disclose a conflict of interest as soon as the conflict is known and follow the process set out in the COI Procedure, including where applicable completing the prescribed Form
- (ii) a conflict of interest must be managed transparently and effectively.

2. Responsibilities

The respective responsibilities for managing a conflict of interest effectively within Western Power are as follows.

2.1 All Personnel

All Personnel are responsible for:

- (i) assessing their personal interests on an ongoing basis to identify whether those interests conflict, have the potential to conflict or may be perceived as conflicting with their duties to Western Power
- (ii) as soon as a conflict is known, formally disclosing the conflict of interest in accordance with this Standard and the COI Procedure
- (iii) avoiding a conflict of interest where possible and managing those which cannot be avoided
- (iv) adhering to all conflict of interest management strategies that apply to their declared conflicts
- (v) regularly reviewing and updating their conflict of interest declarations, particularly when circumstances change
- (vi) raising concerns about conflicts of interest they become aware of that relate to other Personnel via a direct discussion with the affected Personnel, with a Head of Function or the Corporate Compliance Manager
- (vii) complying with all other requirements of this Standard and the COI Procedure.

2.2 External Consultants and Contractors

External Consultants and External Contractors are contractually bound and agree that they are responsible for managing their own conflicts of interest. External Consultants and External Contractors:

- (i) must represent and warrant that they have implemented internal policies and procedures to prevent and manage conflicts of interest
- (ii) must not engage an employee/subcontractor who has a conflict of interest with Western Power; and

- (iii) must promptly remove any employee/subcontractor who they become aware has a conflict of interest with Western Power and inform Western Power immediately.

This Conflict of Interest Standard will be made available to External Consultants and External Contractors.

2.3 Formal Leaders

All Formal Leaders must regularly ensure Personnel who report directly to them are aware of and comply with the requirements of the COI Standard and COI Procedure, particularly those Individuals new to the organisation.

In particular, Formal Leaders must:

- (i) advise their direct reports who have a conflict of interest about documenting and managing the conflict in accordance with this Standard and the COI Procedure
- (ii) assist their direct reports to prepare appropriate management strategies for any conflicts that have been identified
- (iii) where applicable, consult with the Head of Function following conflict of interest discussions with Individuals
- (iv) provide assistance to enable direct reports to follow the steps associated with disclosing conflicts of interest as outlined in the COI Procedure
- (v) familiarise themselves with existing conflicts of interest declarations made by Personnel who transfer to become a direct report on a permanent or temporary basis
- (vi) monitor the work of their direct reports to ensure adherence to conflict of interest management strategies.

2.4 Heads of Function

In addition to the responsibilities applying to all Personnel and Formal Leaders, Heads of Function must:

- (i) ensure Personnel in their function comply with this Standard and the COI Procedure
- (ii) review conflicts declared by Individuals in their function in order to reject those conflicts that are not acceptable to the organisation
- (iii) for those conflicts that have not been rejected following the Head of Function review detailed in 2.4(ii), ensure the agreed and documented management strategy associated with a conflict is adequate to minimise any associated risks. Management strategies that are not adequate must be rejected and a new acceptable strategy documented between the Individual, Formal Leader and Head of Function
- (iv) be aware of the conflict of interest risks inherent in the work performed in their function
- (v) make enquires and regularly inform themselves of all conflict of interest disclosures within their function

A Head of Function may not delegate the final approval or rejection of a management strategy for a conflict of interest declared in accordance with the COI Procedure.

2.5 Executive Managers

Executive Managers must make enquiries and regularly informing themselves of all conflict of interest disclosures within their Business Unit and must be reasonably satisfied that they are being managed appropriately.

Executive Managers must perform the duties outlined sections 2.3 and 2.4 with respect to any conflicts declared by a Head of Function within their business unit.

2.6 Chief Executive Officer

Where an Executive Manager has a conflict of interest, the Chief Executive Officer (CEO) must perform the duties outlined in sections 2.3 and 2.4 with respect to the conflict.

The CEO has certain duties imposed on them pursuant to the Act that must be complied with when carrying out activities related to Western Power. The CEO may also be nominated as a director of the Corporation, and where this is the case, all duties related to directors would also be imposed on the CEO.

If the CEO has a material personal interest or conflicting duty, he or she should take care to ensure that full disclosure is made to the Board of Western Power. After a disclosure relating to a matter for which the CEO is conflicted, the independent directors should form a conclusion on the CEO's ability to participate and vote on the matter.

2.7 Directors

Where the CEO has a conflict of interest, the Board Chair or Deputy Board Chair must perform the duties outlined in sections 2.3 and 2.4 with respect to the conflict.

Directors of Western Power are required to make full disclosure to the Board of any material personal interest or conflicting duty and provide full details of the nature and extent of that interest or duty. The disclosure must be recorded in the Board minutes.

Directors who have a material personal interest or conflicting duty in a matter must not be present during any consideration of, or vote on, the matter. This is subject to the power of the Board to determine that the interest or duty should not disqualify the Director from considering or voting on the matter.

Directors must provide the General Counsel with details of all directorships that are, or have been held in other organisations, and shares owned (directly and indirectly) in companies that are either major suppliers or customers of Western Power.

Directors must also manage all Gifts in accordance with this Standard.

2.8 Western Power

In support of the Code of Conduct, Western Power has established this standard which sets out the system for managing conflicts of interest and explains the types of interests that must be declared. Western Power will:

- (i) provide access to relevant documents to ensure that all Personnel are aware of Western Power's requirements with respect to declaring and managing conflicts of interest
- (ii) establish guidelines explaining how interests must be declared

- (iii) communicate this Standard to Personnel and providing them with appropriate education and training on an annual basis to enable them to properly identify and manage conflicts of interest
- (iv) treat declared conflicts of interest confidentially and use the information only to mitigate conflict of interest risks for the organisation, and
- (v) review this Standard regularly to ensure that the system in place for managing conflicts of interest is operating effectively.

3. Conflicts of interest

3.1 Defining a conflict of interest

What is a conflict of interest?

A conflict of interest exists wherever a member of Personnel's circumstances impact or may reasonably be perceived as impacting that individual's ability to act impartially and in the best interests of Western Power during the performance of their role.

A conflict of interest can arise in many situations and may be:

- (i) **actual** – namely, an individual has a personal interest which could influence his or her impartiality in the performance of their role
- (ii) **perceived** – namely, an individual appears to a third party to be influenced by his or her personal interests when in the performance of their role; or
- (iii) **potential** – namely, an individual may, in the future, be influenced by his or her personal interests in the performance of their role.

Types of personal interest

Personal interests that may give rise to a conflict of interest can be financial or non-financial and direct or indirect.

- (i) **Financial** – financial and economic interests (e.g. debts, business interests, income, shareholdings and assets).
- (ii) **Non-financial** – receipt of any other benefits such as preferential treatment, privileged access, favours, Gifts, sponsored travel or other advantages.
- (iii) **Direct** – the benefit flows directly to the Personnel.
- (iv) **Indirect** – the benefit flows to another person with whom the Personnel has a significant relationship i.e. spouse, child, friend or family member.

Examples of personal interests that should be declared by Personnel are:

- Starting your own company that operates in the same industry as Western Power, or directly/indirectly supplies goods or services to Western Power.
- Owning a controlling interest in a company which operates in the same industry as Western Power, or that is a supplier to Western Power.
- Significant personal relationships (social, family, romantic etc.) with persons who are also members of Western Power's Personnel and:

- there is a direct working relationship between the impacted Individuals
- one Individual has influence over the engagement, ongoing employment and/or employment conditions of the other Individual, or
- one Individual can influence the decisions of the other Individual.
- Securing secondary employment that impacts or potentially impacts the performance of your duties at Western Power, is in the same industry as Western Power, competes with Western Power, or involves a supplier of Western Power (check your employment contract for any further requirements).
- Significant personal relationships (social, family, romantic etc.) with persons who are engaged by a third party suppliers of goods or services to Western Power.
- Affiliations with organisations, clubs or associations (e.g. political, sporting or professional organisations) that competes with Western Power’s interests, or causes the individual to have a competing interest with their role at Western Power.

Common conflict of interest situations

Although not an exhaustive list, some examples of conflict of interest situations that commonly arise are:

- (i) Engaging contractors – Personnel engaging or proposing to engage a contractor or consultant on behalf of Western Power, where he or she (or a close family member) has either:
 - a) a direct or indirect personal relationship, affiliation or association with that contractor or consultant; or
 - b) a direct or indirect financial interest in the contractor’s or consultant’s business.
- (ii) Decision making – Personnel making a decision, or voting as a member of a committee or board in the course of their employment at Western Power, when he or she (or a close family member) has:
 - a) a direct or indirect material or personal relationship, affiliation or association with a person or organisation involved in the subject matter under consideration; or
 - b) a direct or indirect financial interest in an organisation that is involved in the subject of the matter under consideration.
- (iii) Tender evaluations – Personnel reviewing tender submissions on behalf of Western Power where he or she (or a close family member) has either:
 - a) a direct or indirect material or personal relationship, affiliation or association with, one or more of the tendering parties; or
 - b) a direct or indirect financial interest in one or more of the tendering parties.
- (iv) Representation – Personnel representing Western Power, where his or her personal rights and or position comes into conflict, or are inconsistent with, Western Power’s rights and/or position.
- (v) Sponsorships – Personnel arranging or proposing to arrange sponsorship on behalf of Western Power for an organisation, club or association with which he or she (or a close family member) has an affiliation, association, or a financial interest.

3.2 High risk areas

Due to the corporate structure of Western Power, a number of high risk activities and situations have been identified which should be approached with caution by all Individuals who participate in, or are impacted by them. Each high risk area is described below:

- (i) **Recruitment** – Recruitment activities attract a large amount of interest from a number of different perspectives. Throughout the entire recruitment process, Individuals charged with making a decision should consider all personal interests that may give rise to a perceived conflict of interest by any party. Even interests that an Individual considers remote can create an appearance of bias (perceived conflict) when performing recruitment activities.

Where any type of conflict exists, and to ensure absolute transparency in all decision making, an Individual performing recruitment activities should submit a conflict of interest declaration.

Additionally, where an Individual is seconded or offered a permanent placement into a formal leader position – particularly Area Manager level or above – that Individual should undertake an extensive review of all personal interests they have and make all necessary declarations.

Formal Leader positions have greater decision making responsibilities and other influence, therefore the perception of bias increases exponentially, no matter how remote the personal interest is. To others even remote personal interests can give rise to a perceived conflict and perception of bias.

- (ii) **Procurement** – Western Power expenditure is subject to a high level of external scrutiny as the source of our funding is public. As such, all procurement activities where Individuals are responsible for making financial decisions should be made with absolute transparency.

To mitigate the risks associated with procurement activities, the Commercial Function has developed a project confidentiality process that demands the completion of a conflict acknowledgement by each procurement activity participant.

In each of the above high risk areas there will be ‘winners and losers’. As such, it is prudent that conflicted Individuals declare personal interests, no matter how remote they seem, to ensure transparency of all decisions and give the organisation the opportunity to implement appropriate management strategies where required. Taking these precautionary actions can also mitigate the risk that an allegation of misconduct is made against the conflicted Individual.

3.3 Identifying conflicts of interest

How can Personnel identify a conflict of interest?

A conflict of interest is not always clear to those affected by it. Personnel should clarify with their Formal Leader immediately when they become aware of any situation they think might constitute an actual, perceived or potential conflict of interest. The situation and surrounding circumstances should be carefully considered by the Individual and their Formal Leader when determining whether a conflict of interest exists.

If there is any uncertainty as to whether a situation is a conflict of interest or not, Personnel should consult with the Corporate Compliance Manager to confirm if a conflict exists or just declare and record the situation as a conflict of interest in accordance with the COI Procedure.

There is no harm in being overly cautious when it comes to declaring conflicts of interest.

When assessing whether a conflict of interest exists the “6 Ps” should be considered:

- (i) Public duty versus private interest – do you have a personal, private or financial interest, relationship or association that may conflict, or could be perceived to conflict with your duties and obligations to Western Power?
- (ii) Potential – could you or anyone you are associated with, now or in the future, be the recipient of a benefit that if received could cast doubt on your objectivity? Benefits include financial, non-financial, direct and indirect benefits.
- (iii) Perception – how will your involvement in a decision/action be perceived by others? Could someone reasonably consider your interests are conflicted due to a personal, private or financial interest, relationship or association that you hold? Could the reputation of you and/or Western Power be enhanced or damaged by the proposed decision or action?
- (iv) Proportionality – does your involvement in the decision appear fair and reasonable in all the circumstances?
- (v) Presence of mind – what are the consequences if you ignore the conflict of interest? Would your reputation be maintained if your involvement is questioned publicly, or could people question your integrity?
- (vi) Promises – have you made any promises or commitments in relation to a matter? Do you stand to gain or lose – either financially or non-financially – from the proposed action?

3.4 Declaring a conflict of interest & record keeping

Personnel must disclose, in accordance with the COI Procedure, every actual, perceived or potential conflict of interest (including Gifts) that arise in any matter in which they are, or are expected to be, involved as part of their duties to Western Power.

Conflict of interest disclosures are recorded in a register maintained in accordance with the COI Procedure which at a minimum include details of:

- the Personnel concerned
- the matter under consideration
- the Personnel’s personal interest that has the potential to be in conflict with their duties
- the agreed strategy for managing the disclosed conflict.

All Formal Leaders are required to make an annual declaration to attest they are aware of their obligation to disclose conflicts of interest, and are not aware of any conflicts of interest impacting the discharge of their role with Western Power (or provide full disclosure of any such conflicts of interest on the prescribed Form). Corporate Compliance will manage the distribution and collection of annual declarations.

Personnel engaged in Western Power’s Commercial function are also required to submit an annual conflict of interest and Gift declaration due to the nature of their responsibilities at Western Power.

Every meeting of Western Power’s Board, its committees and the executive committee should include a standing agenda item for conflicts of interest to be declared and considered at that meeting.

3.5 Managing conflicts of interest

Strategies to manage the conflict

Personnel should consult with their Formal Leader as to how a conflict of interest affecting them will be managed. Personnel should cease involvement in the matter for which they are conflicted until a strategy for managing the conflict has been agreed in accordance with the COI Procedure, documented in the prescribed Form and provided to Corporate Compliance.

Personnel and Formal Leaders should consider the “6 Rs” when determining how to manage a conflict of interest:

(i) **Reporting** the conflict of interest:

All Personnel must declare conflicts of interest by completing the prescribed Form and submitting it to Corporate Compliance. Once reported, Corporate Compliance will review the conflict to ensure the agreed management strategy is effective.

As a stand-alone strategy, reporting and disclosing a conflict would be suitable for very low-risk conflicts of interest which can be effectively managed with appropriate supervision. This option will not, on its own, be suitable for more significant or higher risk conflicts, where continued participation by the Individual would create a perception that his or her private interests may affect the performance of their duties to Western Power.

(ii) **Restricting** the conflicted Individual from parts of an activity or process:

Using this strategy, a conflict may be managed or mitigated by preventing the member of Personnel from taking part in a discussion about, or making decisions on the matter for which they are conflicted. Additionally, it may be appropriate to restrict the individual from accessing information relating to the matter that gave rise to the conflict. This strategy is most suitable where the individual’s duties are easily separated and the conflict is not likely to arise frequently.

A different strategy may need to be adopted if the conflict of interest occurs frequently, or if restricting the individual’s involvement on a particular matter makes performance of his or her other duties unworkable.

(iii) **Recruiting** an independent third party to participate in the matter:

Where it is not practical to restrict an individual’s involvement in a matter due to a conflict, an independent third party or parties may need to be engaged to participate in, oversee or review the integrity of the decision making process (e.g. a probity auditor in a tender). If participation of a third party is not appropriate or, if no suitable third party is available, a different strategy may need to be adopted.

This strategy is only suitable for limited and one off decisions and will not be appropriate if the conflict is of an ongoing nature.

(iv) **Removing** the Individual from involvement in the matter altogether:

Removing the Individual from all duties related to the matter that gave rise to the conflict may be necessary when the conflict is ongoing and restricting duties or recruitment strategies are not feasible or appropriate.

(v) **Relinquishing** the Personnel's personal interest:

Personnel may decide to relinquish their personal interest to avoid changing their work responsibilities and/or environment (if that option is available).

This strategy will not usually be necessary for situations where the conflict, and its potential or perceived effects, are of low risk or significance, which can often be managed by implementing the other strategies discussed above.

(vi) **Resignation** of Personnel:

In the most extreme of cases, resignation of the conflicted Individual is the only way a conflict can be mitigated, as no effective management strategy can be formulated, and the conflicted Individual cannot or will not relinquish the conflicting interest.

For example, starting your own business in the same subject matter area as your role at Western Power where intellectual property or other information cannot be protected by Information Barriers or managed effectively is likely to result in resignation.

Implementing a management strategy

After a management strategy has been agreed between the Individual, his or her Formal Leader, the chosen strategy and the discussions that took place must be documented in the prescribed Form in accordance with the COI Procedure.

Details of the management strategy will be recorded in the register of conflict of interest disclosures by Corporate Compliance and maintained in accordance with the COI Procedure. This enables Western Power to demonstrate that the conflict of interest has been appropriately identified and managed.

The Individual and their Formal Leader are then obligated to implement the agreed strategy.

In some cases it may not be practical to record a conflict of interest and prepare a written management strategy prior to taking action to manage it. This may occur, for example, if without prior warning, a matter in respect of which an Individual has a conflict of interest is raised during a meeting at which the Personnel is present. In this situation, the Individual should verbally disclose the conflict, make a note of the disclosure and ensure that the disclosure is recorded in any minutes of the meeting. The Personnel should then leave the meeting while the matter is being discussed and take steps to formally record the conflict of interest as soon as practical.

Monitoring the management strategy

To ensure effective management of the declared conflict, Personnel, their Formal Leader and relevant Head of Function (or the Head of Function's delegate) must monitor the management strategy on an ongoing basis or until the conflict of interest no longer exists.

Changes to the strategy should be implemented as necessary to properly manage the conflict. Reassessment of, and changes to, management strategies should be formally recorded on the prescribed Form, and sent to the Corporate Compliance for registration.

Management strategies are valid for a maximum of two years, after which they will require reassessment if the declared conflict continues to exist. However, if the situation requires, a management strategy should be reviewed on a more regular basis to ensure its currency and effectiveness.

3.6 Procedures & guidance

The procedure for declaring a conflict of interest is set out in the COI Procedure.

4. Gifts

4.1 What is a Gift?

In this Standard, a Gift includes any item of value, entertainment or hospitality (such as sponsored travel, meals, accommodation), and other personal benefits (such as preferential treatment, services, privileged access, information, favours or other advantages). A Gift may be tangible or intangible, of token value or significant value.

Examples of Gifts include:

- Tickets to events (sporting, music etc.)
- physical items (watches, phones, beer, wine)
- sponsored travel and/or accommodation (trip to an industry conference)
- door prizes (of any kind)
- coffee, lunch, dinner or other type of social/networking event
- being offered an opportunity to do something (a new job, to meet someone, jump a queue etc.)

A Gift may be provided to, and for, the direct benefit of an Individual. Alternatively, a Gift may be provided to an Individual's spouse, other family members, relatives or close associates, thereby providing an indirect benefit to the Individual.

4.2 Western Power's position on Gifts

Personnel must not offer or accept any Gift arising out of their employment or engagement with Western Power unless:

- (i) the giving or receiving of the Gift complies with the Gift Rules
- (ii) approval has been obtained in accordance with the COI Procedure before the Gift is accepted or retained.

Personnel must not seek to obtain a Gift or benefit from a third party by virtue of their role within Western Power. Such behaviour amounts to an abuse of power, creates a perception of bias and should be avoided.

When is approval required?

A Gift that complies with the Gift Rules and is not a Reportable Gift, does not require approval under the COI Procedure.

All offers of Reportable Gifts must be approved in accordance with the COI Procedure prior to their acceptance or retention.

Bribery is illegal and must be reported

All offers of bribes must be reported in accordance with the COI Procedure.

A bribe is where an offer, payment, promise or Gift is intended to induce the recipient to misuse his or her position in order for the offeror to obtain a personal gain, business or other advantage.

4.3 Risks of accepting gifts

Western Power's owner and the community expects that Western Power will carry out its functions impartially and ensure it is immune from undue influence from third parties, corruption, bribery and other misconduct, through the proffering of Gifts.

Sponsored travel which has a direct benefit for Western Power (which may cover some or all expenses) should be treated cautiously as it can pose significant risk to the integrity of the organisation. Gifts of travel should only be approved when the approver can resolve or manage, in a transparent way, any conflicts of interest that arise from the Gift, whether actual or perceived.

Sponsored travel which has no benefit to Western Power must be declined and the prescribed Form completed and submitted to Corporate Compliance.

The exchange of a Gift between Personnel and a third party, may create a potential, perceived or actual conflict of interest by introducing a personal interest or expectation that did not previously exist. This personal interest may then impact (or be perceived to impact) the recipient's ability to act impartially and in the best interests of Western Power.

4.4 Gift ownership

All Gifts given to or received by Personnel remain the property of Western Power until such time as an authorised person approves that an Individual may have the Gift. Where approval is not given the Gift remains the property of Western Power.

4.5 Gift Rules

Gifts must not:

- (i) be beyond that which is considered a normal and legitimate business practice within the context of being a Government Owned Corporation (e.g. practices that may be acceptable in privately owned corporations may not be acceptable for Western Power given its public ownership)
- (ii) be intended, or reasonably be perceived to be an inducement, incentive or reward for the provision of a business advantage or preferential treatment (e.g. Personnel should be cautious about accepting Gifts from suppliers after awarding a contract)
- (iii) place, or be seen to place, the recipient under an obligation that directly or indirectly influences the recipient in the performance of his or her duties (e.g. an Individual should not accept a Gift from a third party who is waiting for a decision on any matter from Western Power)
- (iv) be in the form of cash or a cash equivalent (such as gift vouchers or shares)
- (v) be given or received from the same third party at a frequency that creates an appearance of impropriety
- (vi) be such as to bring Western Power into disrepute or cause Western Power embarrassment

4.6 Declining a Gift

If a Gift does not comply with the Gift Rules the Individual recipient must decline the offer. Gifts that have been declined by an Individual must be registered using the prescribed Form in accordance with the COI Procedure.

4.7 Delivered Gifts

On occasion, Gifts may arrive from a third party with no prior notification having been received by Western Power, or physically presented to an individual (e.g. a door prize).

If a Gift that does not comply with the Gift Rules has been physically presented delivered or received, it must be surrendered to a Western Power Public Interest Disclosure Officer or the Corporate Compliance Manager. Declined Gifts will either be returned to the third party if practicable, or disposed of in another manner (such as being given to a local charity).

4.8 Reportable Gifts

A Gift is a Reportable Gift if any of the following apply:

- (i) its market value exceeds \$100 (\$200 if hospitality)
- (ii) its purchase value exceeds \$100 (\$200 if hospitality)
- (iii) if the value of a Gift is uncertain, but its value potentially exceeds \$100 (\$200 if hospitality)
- (iv) the recipient has received other Gifts from the giver within the previous 12 months which together have a value of greater than \$100 (\$200 if hospitality)
- (v) the value of the Gift, which has been offered to multiple people within Western Power, cumulatively exceeds \$100 (\$200 if hospitality) (e.g. several people being taken to lunch or several tickets to entertainment – that individually are under the threshold but together exceed it).

4.9 Loyalty programs

Membership of third party loyalty programs including airline frequent flyer programs is a private matter for Individuals and accrues to the Personnel as a private entitlement, provided that:

- (i) Personnel comply with all applicable procurement or travel procedures issued by Western Power; and
- (ii) Western Power does not bear any additional cost such as a loyalty program joining or annual maintenance fees.

4.10 Procedures & guidance

How to report a Gift and further guidance on the giving and receiving of a Gift is set out in the COI Procedure, including the relevant prescribed Forms.

5. Other specific risk areas

There are certain types of activity which may give rise to a conflict of interest. These activities and similar circumstances should be avoided so far as possible by Personnel and must be reported immediately should they occur.

5.1 Outside employment activities

Personnel may not engage in outside employment or business activities, or hold any position (whether paid or unpaid) in any outside business enterprise, without first obtaining the written approval of their Head of Function in accordance with the COI Procedure and contract of employment.

Personnel must also ensure that any personal or professional activities, or public comment made as private citizens, are clearly identified as personal and not made or performed by or on behalf of Western Power. Western Power's Communication Policy, Social Media Guidelines and Code of Conduct govern who within the business has the authority to communicate on behalf of Western Power.

5.2 Shareholdings

Personnel, their spouse or other family members,) must not hold or retain, a direct or beneficial ownership of shares, or interests in companies or organisations that:

- are in direct competition with, provide goods and/or services to, or are customers of, Western Power, and
- by virtue of that shareholding or interest in the company or organisation, the Personnel has, or is perceived to have, influence over the conduct of Western Power's business relationship with the relevant organisation

unless the Individual has declared their shareholding on the prescribed Form, approved by their Head of Function in accordance with the COI Procedure.

5.3 Use of information

In accordance with legislation, Western Power Personnel must not:

- use information gained in the performance of their roles to obtain a benefit for themselves or someone else either directly or indirectly
- use information gained in the performance of their role to gain an advantage, or to cause detriment to Western Power, including to its reputation.

An example of this type of behaviour would be buying or selling shares in a listed public company as a result of using non-public information obtained through dealings between Western Power and that company.

5.4 Business opportunities

As is the case with the prohibition on Personnel using information gained in the performance of their role with Western Power, Personnel (or their spouses and family members) should not take advantage of any business opportunities they became aware of as a result of their engagement by Western Power.

5.5 Inventions and discoveries by Personnel

In accordance with employment obligations contained within Western Power employment agreements, output of Personnel in respect of, without limitation:

- inventions, discoveries,
- trade secrets, secret process,
- know how, concepts, ideas,
- information process, data or formulas

and all intellectual property developed or created as part of an individual's employment or engagement with Western Power, or developed using Western Power's assets, belong to Western Power and cannot be used except for the benefit of Western Power or in connection with its business.

6. Legal requirements

The Criminal Code (WA) makes it a criminal offence for Personnel to engage in bribery and corruption.

In addition, the Act imposes a number of obligations on employees and directors of Western Power pursuant to Sections 28, 29 and 30, and Schedule 2 of the Act.

For further information on the duties of directors, please refer to Western Power's Guide to Directors' and Executive Officers' Duties and Responsibilities.

7. Consequences of breaching this Standard

Breaching this standard may result in disciplinary action as a breach of this Standard amounts to a breach of the Code of Conduct. In certain cases, a breach may also result in a civil or criminal action against an individual if it amounts to alleged bribery, corruption or fraud.

A breach of the Act may also result in financial penalties, imprisonment and/or being ordered to pay compensation or surrender profits made.

A breach of the requirements of this Standard may negatively impact on Western Power's credibility and reputation, and may expose Western Power to legal claims by third parties.

8. Looking after each other

Western Power expects all of its Personnel to uphold the highest standards of probity and integrity in the conduct of its business in accordance with company values. Personnel should, as a matter of course, be reminded by one another to declare conflicts of interest prior to participating in a meeting, conducting investigations, assessing candidates as part of a recruitment panel, providing input on performance management processes, participating in tender evaluation processes, undertaking inspections, performing audits or other similar activities.

Occasionally, Personnel may not realise that there is an actual, potential or perceived conflict of interest that affects his or her position. If you become aware that a colleague is affected by, but not aware of, a conflict of interest, you should discretely bring it to his or her attention. If he or she refuses to act on your advice, you should bring the matter to the attention of the relevant Head of Function or the Corporate Compliance Manager.

Depending on the circumstances, Personnel may choose to make a disclosure under Western Power’s Public Interest Disclosure Standard.

9. Dictionary

Words in the first column of the following table are defined terms and have the corresponding meaning shown in the second column of the table.

Defined term	Meaning
Act	<i>Electricity Corporations Act 2005 (WA)</i>
Code of Conduct	Western Power’s Code of Conduct Policy.
COI Procedure	Conflict of Interest Procedure.
Embedded Contractor	an individual who is engaged by Western Power through an arrangement with a labour agency or directly with the individual. Western Power directs the day to day activities of the contractor and these individuals are identified separately as contractors but still included in full time equivalent headcount.
External Consultant	a consultant is a person or entity engaged by Western Power to provide professional or expert advice, which may be a defined deliverable in the form of a report. Payment is made by Western Power to the external entity and individuals are not included in the full time equivalent headcount.
External Contractor	an individual employed by an external entity completing work for Western Power. Western Power engages the external entity to complete a defined deliverable with a set scope. Payment is made by Western Power to the external entity based on completion of the agreed deliverable. The external entity can engage any number of individuals to complete the assigned project. These individuals are not included in full time equivalent headcount.
Form	the Conflict of Interest Disclosure Form or Gift and Hospitality Register Form as amended from time to time. The Forms are also listed in the related document section of this Standard.
Formal Leaders	a member of Western Power’s Personnel who manage one or more Individuals falling within the definition of Personnel as described in section 1.3 of this Standard
Gift	a gift as described in section 4.1 of this Standard.
Gift Rules	the rules set out under the heading “Gift Rules” in section 4.4 of this Standard.
Individual	a member of Western Power’s Personnel as defined in section 1.3 of this Standard.
Information Barriers	a business term describing an information barrier within Western Power that was erected to prevent access to information, exchanges of information or other communications that could lead to conflicts of interest.
Personnel	the employees, officers, directors of Western Power and Embedded Contractors of Western Power when performing activities on behalf of Western Power. For the avoidance of doubt, Personnel does not include External Contractors.

Defined term	Meaning
Reportable Gift	a Gift as described under the heading “Reportable gifts” in section 4.8 of this Standard.
Standard	this Conflict of Interest Standard issued under and supporting the Code of Conduct.
Western Power	the Electricity Networks Corporation trading as Western Power.

10. Further information

The General Counsel and Corporate Compliance Manager are available to assist Personnel who require further advice about possible conflicts of interest. Requests for advice will be handled confidentially.

11. Content owner

General Counsel.

12. Accountabilities

Executive Manager
Governance & Assurance

Accountable for:

- (i) approving the content of this Standard
- (ii) implementing the Standard
- (iii) preparing, issuing and maintaining any required supporting documentation
- (iv) ensuring that people affected by the Standard and its related documents are aware of their responsibilities
- (v) ongoing education and training (as necessary)
- (vi) monitoring compliance with the requirements of the Standard and its related documents
- (vii) ensuring that appropriate remedial actions are taken if there are compliance breaches
- (viii) monitoring the continuing relevance of the Standard and the currency of its contents; and
- (ix) providing the Human Resources function with access to all declared conflict of interest declarations.

General Counsel

Accountable for publishing the approved version of this Standard in Western Power’s corporate policies register.

13. Review

This Standard will be reviewed and evaluated by the content owner at least once in every three year period taking into account the purpose of the Standard and the outcome of the compliance review.

14. Related documents

Description	EDM Reference
Code of Conduct	EDM 34010733
Conflict of Interest Disclosure Form	EDM 34026112
Conflict of Interest Procedure	EDM 34212103
Gift & Hospitality Fact Sheet	EDM 45661277
Conflicts of Interest Fact Sheet	EDM 23236254
Gift and Hospitality Register Form	EDM 34182787
Guide to Directors' and Executive Officers' Duties and Responsibilities	EDM 22785841
Public Interest Disclosure Standard	EDM 34011613

15. Approval history

Version	Approved by	Date of approval	Resolution no.	Notes
1.	P&PC	25/10/2007	PPC/23/07	
2.	P&PC	15/06/2010	#034/2010/PPC	
3.	General Counsel	27/03/2014	#070/2014/BD	Under delegation of Board. Approval relates specifically to the removal of outdated corporate values.
4.	General Counsel	06/01/2015	#070/2014/BD	
5.	General Counsel	07/06/2018	#004/2015/BD	



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Sam Barbaro – **General Counsel**