



Gladstone Ports Corporation
Growth, Prosperity, Community.

GPC Policy – Conflicts of Interest

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1 Introduction

- 1.1 The directors of Gladstone Ports Corporation Ltd (“**GPC**”) have recognised a need to establish a conflicts of interest policy to deal with situations in which a company officer may have an actual, potential or perceived conflict of interest between his or her role as company officer of GPC and other personal interests.
- 1.2 This conflicts of interest policy (“**Conflicts of Interest Policy**”) sets out the procedures to be followed to ensure GPC and each officer of GPC complies with its obligations under the *Government Owned Corporations Act 1993 (Qld)* (“**GOC Act**”), *Corporations Act 2001* and other policies applicable to government owned corporations when dealing with conflicts of interest.
- 1.3 The Conflicts of Interest Policy also establishes a clear framework for identifying, managing and monitoring any actual, perceived or potential conflicts of interest that may arise.
- 1.4 An officer of GPC is:
- (a) A director or secretary of GPC; or
 - (b) A person
 - (i) Who makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of GPC; or
 - (ii) Who has the capacity to affect significantly GPC’s financial standing; or
 - (iii) In accordance with whose instructions or wishes the directors of GPC are accustomed to act (excluding advice given by the person in the proper performance of functions attaching to the person’s professional capacity or their business relationship with the directors of GPC).
- 1.5 A Conflict of Interest is:
- A conflict between the public duty and private interests of an officer of GPC, in which the officer has private interests which could improperly influence their performance of their duties and responsibilities.
- 1.6 Conflicts of Interest can be:
- (a) **Actual** – A direct conflict between an officers current duties and responsibilities and an existing private interest.
 - (b) **Perceived or apparent** – Where it appears or could be perceived that an officer’s private interest could improperly influence the performance of their duties, whether or not this is the case.
 - (c) **Potential** – Where an officer has private interests that could conflict with their duties in the future.

1.7 Conflicts of interest can include (but are not limited to):

- (a) Financial and economic interest (eg debts or assets such as shares)
- (b) Family or private business interests
- (c) Secondary employment
- (d) Affiliations with for-profit and not-for-profit organisations, sporting bodies clubs or associations
- (e) Affiliations with political, trade union or professional organisations and other personal capacity interests
- (f) Obligations to professional, community, ethnic, family or religious groups in a personal or professional capacity or relationships to people living in the same household
- (g) Enmity or competition with another person or group
- (h) Significant family or other relationships with clients, contractors or other staff working in the same (or related) organisation
- (i) Highly specialist skills in an area where demand for skills frequently exceeds supply
- (j) Future employment prospects or plans (eg post separation employment)
- (k) Receipt of gifts and other forms of benefit
- (l) Allowing access to confidential information
- (m) Involvement in tender processes where the officer has links to a potential bidder

2 Underlying principles

2.1 The underlying principles of the Conflicts of Interest Policy are:

- (a) ensuring that there is public and shareholder confidence in GPC;
- (b) maintaining the integrity of GPC;
- (c) protecting the interests and reputation of GPC;
- (d) ensuring that the officers of GPC use their powers and positions properly and that their official actions are not biased and are not tainted by any conflict of interest; and
- (e) ensuring that the procedures adopted for managing conflicts of interest are clear and are structured in a way that support transparency and scrutiny.

3 Application

3.1 The Conflicts of Interest Policy applies to all officers of GPC and comes into effect on the date of approval of the GPC Board.

4 Review of the Conflicts of Interest Policy

- 4.1 The Responsible Officer (as referred to in Section 5) is responsible for reviewing and evaluating the effectiveness of the Conflicts of Interest Policy on an annual basis. The Conflicts of Interest Policy may need to be updated, adjusted and rewritten where necessary to ensure that it remains relevant and effective in dealing with actual, perceived and potential conflicts of interest.

5 Structural arrangements for managing conflicts of interest

- 5.1 The **Company Secretary** has been appointed as Responsible Officer of the Conflicts of Interest Policy. The Responsible Officer is responsible for:
- (a) implementing, reviewing, evaluating and updating the Conflicts of Interest Policy to ensure that it is kept current;
 - (b) ensuring and monitoring ongoing compliance with the Conflicts of Interest Policy;
 - (c) reporting to the GPC Board and Management any disclosed conflicts of interest relevant to the operations of GPC;
 - (d) establishing and maintaining the conflicts of interest register;
 - (e) maintaining records of disclosed conflicts; and
 - (f) providing assistance to the directors and management of GPC with respect to implementing the Conflicts of Interest Policy.
- 5.2 An **Audit Partner from the Internal Audit Team** has been appointed as Conflicts Auditor and is responsible for carrying out periodic audits of conflicts of interest in accordance with the Conflicts of Interest Policy.
- 5.3 A summary of the procedure for identifying managing and monitoring conflicts of interest is shown in the following flow chart:

1. IDENTIFY

Assess the situation and surrounding circumstances

Is there a conflict of interest?

No

Record

2. MANAGE

Report

Record

Review

Is further management required?

No

Record

Yes

Choose strategy

Register

Restrict

Recruit

Remove

Relinquish

Resign

Record

Additional strategy required?

Yes

No

Implement

Record

No

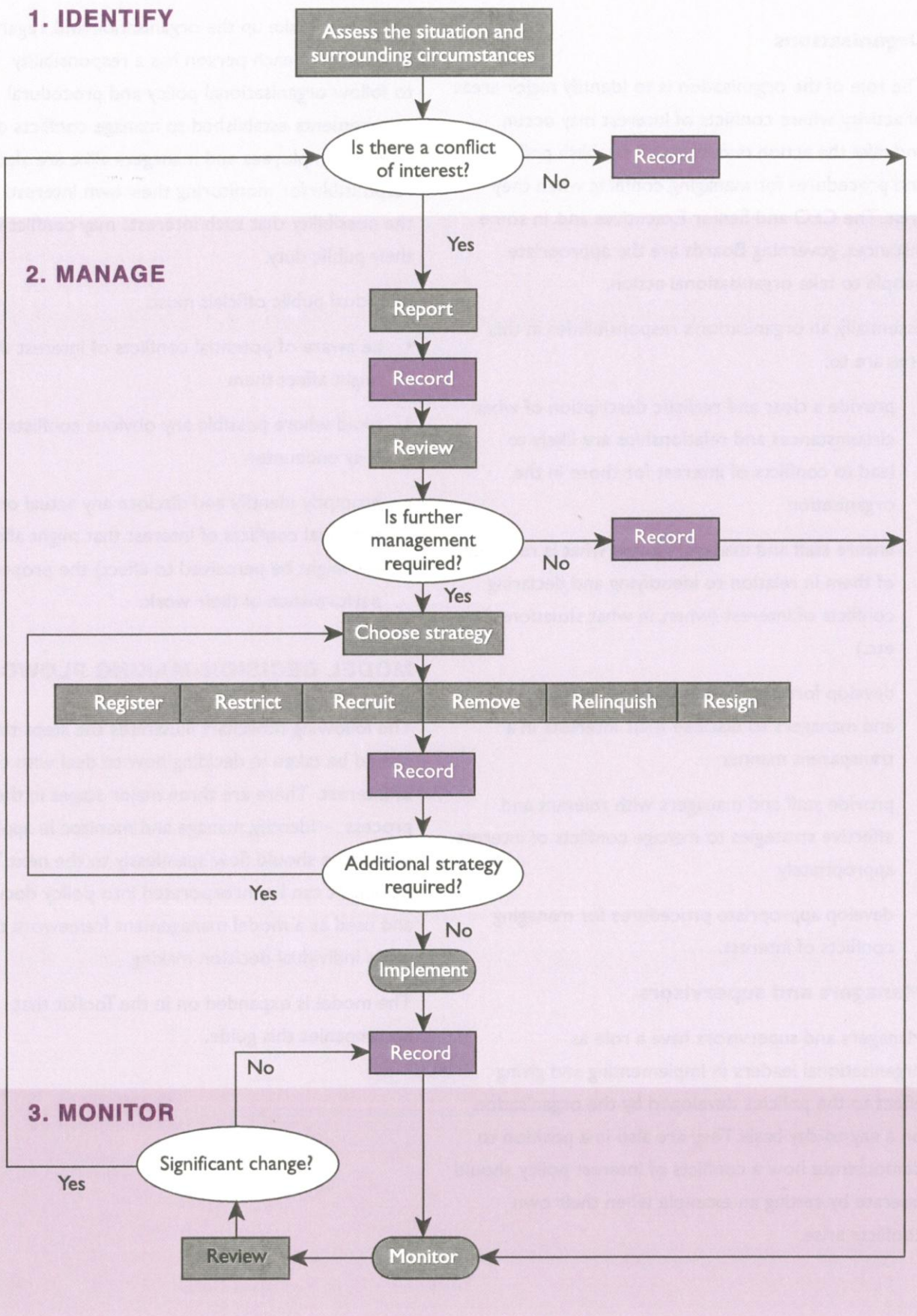
3. MONITOR

Significant change?

Yes

Review

Monitor



6 Identifying conflicts of interest

- 6.1 Each officer of GPC is required to consider his or her position in relation to conflicts of interest on an ongoing basis and disclose them to the responsible officer, CEO, CGM or Purchasing Superintendent as soon as they become aware of the conflict. Failure to do so may lead to disciplinary action.
- 6.2 Under AASB 124 GPC is required to disclose all related party transactions for all officers and close relatives (partner and children, children of partner and dependents of individual or their partner). Officers are required to disclose all conflicts of interest of themselves and of their close relatives.
- 6.3 The Responsible Officer must carry out a conflicts check of the Conflicts Register (as defined in Section 13) and the information obtained from the officers of GPC annually (as referred to in Section 7) prior to each GPC Board meeting. The purpose of this is to determine whether there are any actual, potential or perceived conflicts of interest which may influence an officer of GPC in respect of the proposed matters to be discussed at each GPC Board meeting.

7 Declaration of interests

- 7.1 Each officer of GPC is required to promptly make an initial declaration of any interests using the form in Appendix 1 upon appointment, and must promptly notify the GPC Board and the Responsible Officer of any changes to these as and when they occur using the form in Appendix 2.
- 7.2 The Responsible Officer will circulate Appendix 1 Statement of Interests to all officers of GPC annually each January.

8 Disclosure of conflicts of interest

- 8.1 All officers are required to disclose any material interests and conflicts of interest upon appointment using the template in Appendix 3. The Responsible Officer will circulate Appendix 3 to all officers each January for disclosure of any new conflicts not previously disclosed.
- 8.2 In every case in which there is an actual, potential or perceived conflict of interest, full disclosure is required to be made by the relevant officer of GPC to the GPC Board and the Responsible Officer.
- 8.3 Disclosures must:
 - (a) be in writing using the template in Appendix 1;
 - (b) be made as soon as practicable after the relevant facts come to the officer's attention;
 - (c) be made to the Board, Responsible Officer, CEO, CGM or Purchasing Superintendent;
 - (d) identify the specific matter to which the conflict relates;
 - (e) be of all relevant facts and circumstances giving rise to the conflict; and

- (f) contain enough detail for the Responsible Officer, the GPC Board or management to understand the potential impact of the conflict and to allow an informed assessment about the conflict and formulate an appropriate action plan.

9 Avoiding conflicts of interest

- 9.1 Each officer of GPC should seek to avoid conflicts of interest wherever possible or alternatively, disclose the relevant conflict in accordance with Section 8.

10 Managing conflicts of interests

- 10.1 After disclosure or identification of a conflict of interest, the Responsible Officer must:
 - (a) ensure that the technology system is structured so that all work undertaken and material recorded on a matter where an actual, perceived or potential conflict of interest has been disclosed or identified, is not available to or accessible by the relevant officer; and
 - (b) ensure that information relevant to a matter to which a conflict relates is not included in the board papers circulated prior to the GPC Board meeting. Such information is to be provided separately to the GPC directors, other than the relevant director, either prior to the GPC Board meeting or at the GPC Board meeting.
- 10.2 At the commencement of each GPC Board meeting, the GPC Board must consider any new conflicts of interest disclosed by the officers of GPC and the information provided by the Responsible Officer under Section 6.2.
- 10.3 The GPC Board (excluding the relevant director) or management must assess all conflicts of interest and decide on an appropriate strategy for addressing the conflict. The choice of the strategy adopted will depend on an assessment of the nature of the conflict, the complexity of the situation and the subtleties and severity of the case. As part of the assessment, the GPC Board or management should also review the effectiveness of the relevant officer's ability to continue in his or her position once the strategy is implemented.
- 10.4 If the relevant officer has not provided enough information to allow the GPC Board or management to make an informed assessment about the strategy to adopt in respect of the conflict, the GPC Board or management should seek more information from the officer so that it is fully informed when choosing the appropriate strategy to deal with the conflict.
- 10.5 Subject to Section 10.6, an officer who has disclosed a conflict of interest must:
 - (a) not vote on any matter relevant to the conflict; and
 - (b) not be present while the matter relevant to a conflict is being considered by the board; and
 - (c) not otherwise take part in any decision of the GPC Board or management in relation to the matter.

- 10.6 However, the GPC Board (excluding the relevant director) may consider that the conflict of interest should not disqualify the relevant director from considering or voting on the matter. If the GPC Board (excluding the relevant director) is of this belief, the GPC Board (excluding the relevant director) should then pass a resolution identifying the conflict of interest and confirming that the conflict of interest does not disqualify the relevant director from considering or voting on the matter.
- 10.7 The GPC Board must record all disclosures of conflicts of interest and all declarations of no conflict in the GPC Board minutes.
- 10.8 If the relevant director does not vote on the matter in which it has a conflict, separate minutes of the discussion of the matter must be prepared and must not be available to the relevant director.

11 Identifying and dealing with instances of non-compliance with the Conflicts of Interest Policy

- 11.1 The Responsible Officer is responsible for ensuring and monitoring compliance with the Conflicts of Interest Policy. The Responsible Officer must review the degree to which the officers of GPC are complying with their obligations under the Conflicts of Interest Policy.
- 11.2 Instances of potential non-compliance with the Conflicts of Interest Policy will be identified, assessed and dealt with on a case-by-case basis.
- 11.3 Any non-compliance must be brought to the attention of the GPC Board (excluding the relevant director) which will determine the appropriate course of action to be adopted. The sanction imposed is only to act as a deterrent but should be proportionate to the seriousness of the breach.
- 11.4 Details of any non-compliance with the Conflicts of Interest Policy must be recorded in the Conflicts Register.

12 Training and awareness

- 12.1 Each officer of GPC will receive training in the identification and management of conflicts and the application of the Conflicts of Interest Policy. As part of this training, key conflicts of GPC and how they should be managed will be examined.
- 12.2 The Responsible Officer, Purchasing Superintendent, CEO or CGM will provide assistance to any officer of GPC with respect to the implementation of the Conflicts of Interest Policy.
- 12.3 Further information on conflicts of interest can be found in the following publications from the Crime and Misconduct Commission:
- (a) Queensland Government Guidelines for Managing Conflicts of Interest for Statutory Officer Holders (Doc #.....)
 - (b) Identifying and Managing Conflicts of Interest in the Public Sector - <http://www.cmc.qld.gov.au/data/portal/00000005/content/75797001144103591942.pdf>

- (c) Identifying Conflicts of Interest in the Public Sector – <http://www.cmc.qld.gov.au/data/portal/00000005/content/22929001144103591942.pdf>
- (d) Managing Conflicts of Interest in the Public Sector Guidelines – <http://www.cmc.qld.gov.au/data/portal/00000005/content/53046001124425549294.pdf>
- (e) Managing Conflicts of Interest in the Public Sector Toolkit - <http://www.cmc.qld.gov.au/data/portal/00000005/content/53046001124425549294.pdf>

12.4 Further information regarding potential conflicts of interest and officers obligations can be obtained from the following GPC policies:

- (a) Code of Conduct (Docs #93301)
- (b) Gifts and Benefits Policy (Doc#123595)
- (c) Purchasing handbook (Doc#81426/GPC Intranet Site)

13 Conflicts Register

13.1 The Responsible Officer is responsible for establishing and maintaining a conflicts of interest register.

13.2 The Responsible Officer must keep a register of:

- (a) all conflicts of interest identified;
- (b) what actions have been recommended in relation to the identified conflicts of interest;
- (c) what actions have been taken in relation to the identified conflicts of interests; and
- (d) details of any breach of the Conflicts of Interest Policy.

(“Conflicts Register”)

13.3 The Responsible Officer must ensure that the Conflicts Register contains all relevant material and is complete and available for audit.

13.4 The Responsible Officer must regularly monitor and reassess the conflicts recorded in the Conflicts Register and take steps to manage and address such conflicts.

13.5 The Responsible Officer may also maintain an individual officer’s file which contains all correspondence and material relevant to appointments, other directorships and conflicts of interest.

13.6 The records must be held electronically for a minimum of seven years.

14 Audit

14.1 The Conflicts Auditor will carry out a periodic audit and review of:

- (a) the Conflicts Register;
- (b) the GPC Board minutes; and
- (c) the information technology systems to ensure their integrity and access controls.

14.2 Audit reports must be provided to the Audit and Compliance Committee.

15 Confidentiality

15.1 With the exception of any public disclosures required under AASB 124 Related Party Disclosures GPC will treat all information in accordance with GPC's Privacy Policy (#90204).

Appendix 1 – Statement of Interests Form

REGISTRATION OF PRIVATE INTERESTS

STATUTORY DECLARATION

I, _____ DO SOLEMNLY AND SINCERELY DECLARE that, to the best of my knowledge and belief, the attached Statement of Private Interests contains a complete and accurate statement of my private interests and those of the persons associated with me;

AND I MAKE THIS SOLEMN DECLARATION conscientiously believing the same to be true and under and in accordance with the provisions of the *Commonwealth Statutory Declarations Act 1959*.

Declared at _____)

This _____ day of _____, 20__)

Before me _____)

(Signature)

_____)
(Signature)

UNDERTAKING AS TO CHANGE IN INFORMATION DECLARED

I, _____ .

HEREBY ACKNOWLEDGE

The need for; and UNDERTAKE that so long as I am a Director, Officer or an employee of GPC or engaged by the GPC to provide it with services, information or advice I will notify the GPC by Statutory Declaration of any change or addition, coming to my knowledge, to any information declared in the attached Statement of Private Interests, within 28 days of such change or addition occurring.

Dated at _____ this _____ day of _____ 20__ .

Signature: _____

Witness: _____

Print Name: _____

Schedule 1

Interests Not Requiring Disclosure

The following interests need not be disclosed. Interests arising because:-

- a) You are a member of the Company and the interest is held in common with the other members of the company;
- b) Of your remuneration as a Director of the Company;
- c) Your interest relates to a contract the Company is proposing to enter into that is subject to approval by the members and will not impose any obligation on the Company if it is not approved by the members;
- d) You are a guarantor or have given an indemnity or security for all or part of a loan (or proposed loan) to the Company; or
- e) You have a right of subrogation in relation to a guarantee or indemnity referred to in subparagraph (d);
- f) Your interest relates to a contract that insures, or would insure, you against liabilities you incur as an officer of the Company (but only if the contract does not make the Company or a related body corporate the insurer);
- g) Your interest relates to any payment by the Company or a related body corporate in respect of an indemnity permitted under section 199A of the Corporations Act (that is, indemnities relating to directors' liability and legal costs) or any contract relating to such an indemnity;
- h) Your interest is in a contract, or proposed contract, with, or for the benefit of, or on behalf of, a related body corporate and arises merely because you are a director of the related body corporate;
- i) The other directors are aware of the nature and extent of the interest and its relation to the affairs of the Company (which must be a proprietary company); or
- j) You have given a standing notice of the nature and extent of the interest and that notice is still effective in relation to the interest.

Additionally, you do not need to disclose an interest if;

- 1. you have already given notice of the nature and extent of the interest and its relation to the affairs of the Company;
- 2. you have given notice to a person appointed as a director of the Company who was not a director of the company at the time when the notice was given; and
- 3. the nature or extent of the interest has not materially increased above that disclosed in the notice.

Appendix 2 – Form for Notifying Variation of Interests

NOTIFICATION OF ALTERATION TO STATEMENT OF INTERESTS

Surname: _____

Other Names: _____

Additions

Category: _____

Details: _____

Deletions

Category: _____

Details: _____

I certify that the information provided in this statement properly reflects, as far as I am aware, my registrable interests and the interests of any other related persons and that the information provided is in accordance with the guidelines for declaring interests.

Signature

Date / / .

Conflict of Interest Management Plan

CONFLICT OF INTEREST DECLARATION

Surname: _____

Given names: _____

Position: _____

Unit/Division: _____

Matter under consideration: _____

Expected role/duties to be performed by the employee in dealing with the matter:

Private interests identified which have the potential to impact on the employee's ability to carry out, or be seen to carry out, their official duties impartially and in the public interest:

The conflict of interest has been identified as an *(please check the appropriate boxes)*:

Actual conflict of interest

Pecuniary interest

Perceived conflict of interest

Non-pecuniary interest

Potential conflict of interest

I hereby declare that the above details are correct to the best of my knowledge and I make this conflict of interest declaration in good faith.

Signature (*Officer*)

Date / /

I hereby declare that I have received and appropriately noted this conflict of interest declaration.

Signature (*Manager/Supervisor*)

Date / /

STATEMENT OF CONFLICT OF INTEREST RESOLUTION OR MANAGEMENT

Proposed action to be taken to resolve or manage conflicts of interest:

The above action has been agreed on to resolve conflicts of interest declared by _____ (Officer's name) on ___/___/___.

Signature (Officer)

Date / /

Signature (Manager/Supervisor)

Date / /

STATEMENT OF ADJUSTMENT TO CONFLICT OF INTEREST RESOLUTION MANAGEMENT

Adjustment to action taken to resolve or manage conflicts of interest:

The above action adjustment has been agreed on to resolve conflicts of interest declared by _____ (officer's name) on ___/___/___.

Signature (Officer)

Date / /

Signature (Manager/Supervisor)

Date / /

STATEMENT OF FINALISATION OF CONFLICT OF INTEREST

The conflict of interest declared by _____ (Officer's name) on ___/___/___ has now been resolved and no further action is required.

Signature (Officer)

Date / /

Signature (Manager/Supervisor)

Date / /