

1. PURPOSE

Energy Queensland's Procurement Principles

The overarching procurement principles of Energy Queensland Limited are to:

- Achieve value for money;
- Ensure probity and accountability for outcomes;
- Achieve procurement outcomes that are substantially aligned to the 2018 Queensland Procurement Policy; and
- Support regulated and non-regulated business with innovative responsive procurement services.

Our procurement policy and practices are designed to establish and implement procurement strategies and plans which support the execution of the overall Energy Queensland Limited business strategy through the following:

1.1 Achieve value for money

Energy Queensland Limited will seek to obtain value for money in its procurement. The value for money assessment must include consideration of:

- non-cost factors such as fitness of purpose, quality, service and support;
- secure contractor resources through consolidation of contracts and optimisation of value (commercial tension/sufficient suppliers of product) through its supplier base;
- identify and establish long term relationships with 'best fit' suppliers to improve commercial outcomes for all parties;
- sustainability principles that meet legal, statutory, environmental, safety, Queensland Procurement Policy (QPP) and social obligations; and
- cost related factors including whole-of-life costs and transaction costs associated with acquisition, use, holding, maintenance and disposal.

1.2 Ensure probity and accountability for outcomes

Energy Queensland Limited will conduct its procurement activities in a transparent manner which demonstrates probity and accountability:

- Effectively manage contracts to realise all potential benefits and act in the balanced interests of Energy Queensland, customers and community.
- Probity requires procurement to be conducted ethically, honestly and with fairness to all participants, including maintaining standards that are transparent and consistent with community expectations of a Government Owned Corporation.
- Accountability is the obligation to explain or account for the way particular activities have been performed. The obligation includes being able to explain how Energy Queensland Limited has achieved its procurement objectives through development and application of appropriate procedures and instructions.
- Energy Queensland Limited will ensure that probity and accountability are integral in all aspects of the procurement function. The Energy Queensland Limited Code of Conduct outlines various fundamental requirements, e.g. responsibility to our customers, integrity in our behaviour, responsible for our actions, social obligation to improve our environment, responsible use of our assets, commercial and legal compliance, and preserving the interests and reputation of Energy Queensland Limited.

- Energy Queensland Limited undertakes to ensure that its procurement is carried out in accordance with obligations as may be placed upon it by the:
 - Competition and Consumer Act 2010 (Cth);
 - Financial Accountability Act 2009 (Qld);
 - Financial and Performance Management Standard 2009 (Qld);
 - Public Sector Ethics Act 1994 (Qld);
 - Fair Trading Act 1989 (Qld);
 - Right to Information Act 2009 (Qld); and
 - Disability Discrimination Act 1992 (Cth);
 - Modern Slavery Act 2018 (Cth).

1.3 Incorporate sustainable procurement including local industry development

Energy Queensland Limited is committed, through its operations and the operations of its subsidiaries, to ensuring the provision of a safe, reliable and economic supply of electricity. The critical challenges and interdependent nature of sustainability requires a holistic approach. Energy Queensland Limited is therefore committed to a sustainability framework that is embedded into our day-to-day business to deliver balanced business outcomes. Energy Queensland is committed to seeking out opportunities to support local Queensland industry development, by working with local suppliers where practicable.

1.4 Support regulated and non-regulated business

Energy Queensland supports regulated and non-regulated business operational and commercial strategies and objectives, with innovative responsive procurement solutions, systems and processes.

2. POLICY STATEMENT

The Energy Queensland Limited Procurement Policy provides direction in procurement activities that support Energy Queensland's business in accordance with all applicable legislation. Procurement activities will be undertaken in accordance with established probity and governance standards.

Procurement decision making will be aligned with Energy Queensland's Strategic Plan, including operational and commercial objectives. A Corporate Procurement Plan will be maintained, reviewed, updated and approved annually.

It is acknowledged that emergent or extenuating circumstances arise from time to time that may stretch the boundaries of compliance with this policy such as dealing with natural disasters. Energy Queensland will respond to these types of situations in a manner consistent with the above policy principles.

Energy Queensland will remain fully compliant with the AER ring fencing guidelines as they apply to procurement activities.

Energy Queensland commits to work with Queensland State Government Agencies on joint sustainable procurement initiatives and leverage Government Agency procurement initiatives, where it is determined to be commercially beneficial to do so.

3. IMPLEMENTATION

Application/Scope

This policy applies to any person who procures or purchases any goods or services on behalf of Energy Queensland or its subsidiaries and entities.

In particular, this policy applies to Energy Queensland Limited, its officers, employees and contractors (where applicable) and any other personnel notified that this policy applies to them.

The policy covers all activities falling within an overarching procurement framework and may be supported by various additional documents.

Sustainable procurement behaviours

Energy Queensland Limited demonstrates its commitment to sustainable procurement through:

- utilising carbon management and environmental offsets as appropriate;
- balancing the environmental, social and economic impacts of the goods and services we procure;
- operating in accordance with the requirements of any EQL environmental management systems or policies;
- maintaining open and regular communication with our customers, stakeholders and communities;
- maintain a high performing workforce that has the skills, productivity and flexibility to deliver strong, sustainable results;
- championing sustainable behaviour by minimizing our resource consumption, maximising the re-use, recycling and recovery of waste and efficient use of electricity; and
- acting at all times with integrity and providing superior service in our business activities.

Developing and sustaining professional relationships with suppliers

Energy Queensland Limited will work with suppliers and contractors in a consistent and professional manner and build effective relationships while supporting the principles of open and effective competition.

4. REFERENCES

P004. Employee Code of Conduct Policy

P006. Employee Entertainment, Hospitality and Gifts Policy

P011. Sustainable Procurement Policy

P012. Travel Policy

P013. Governance and Delegations Policy

P022. Treasury Policy

P040. Privacy Policy

R052. Procurement Business Rules

R191. Corporate Card Business Rules

R200. Securing Cloud Computing Services

T068. Offer and Compliance Plan

[Government Information Technology Contracting \(GITC\) Framework](#)

[Integrity Act 2009](#)

[Queensland Procurement Policy](#)

[Queensland State Archives: General Retention and Disposal Schedule for Administrative Records](#)

[Right to Information Act 2009](#)

[Competition and Consumer Act 2010 \(Cth\)](#)

[Modern Slavery Act 2018 \(Cth\)](#)

[Fair Trading Act 2009](#) (incorporating the Australian Consumer Law (Queensland))

5. DEFINITIONS

Board	The board of directors of Energy Queensland Limited
This policy	This policy and any related documents
Sustainability	The development and implementation of strategies that meet the needs of the present, without compromising the ability of future generations to meet their own needs.
Procurement	The acquisition of goods and/or services at the best possible total cost of ownership, in the right quantity and quality, at the right time, in the right place for the direct benefit or use of corporations, generally via a contract. For the purpose of this policy, “purchasing” has the same meaning.

6. ENFORCEMENT

A breach of this policy may also constitute a breach of other Energy Queensland Limited policies and procedures and should be reported to your line manager.

7. VARIATION

This policy is not intended to detract from, or add to, any rights held by a person covered by this policy under a contract of employment or enterprise agreement. Subject to any consultation obligations, Energy Queensland Limited may vary, add to, withdraw, or replace this policy, at its discretion, at any time.

This policy should be reviewed at least every two years.

This policy may only be varied by the Board or appropriately delegated Board sub-committee. The CEO or the Company Secretary can approve administrative changes to Board approved policies (i.e. minor updates, amendments or corrections not involving changes to delegations or the provisions of the policy).

Minor amendments reviewed and approved by the Company Secretary on 21 December 2020.

8. CATEGORY

Governance.