

---

## Procurement Policy

### Document Number –ASM-POL-03

---

#### 1.0 Policy Statement

At Stanwell Corporation Limited (**Stanwell**), we seek to ensure our approach to procurement is consistent, comprehensive and defensible and that in meeting this approach, procurement effort is commensurate with appropriate levels of risk and/or criticality.

This policy applies to all sourcing, inventory management and procurement activities undertaken by or on behalf of Stanwell or its subsidiaries. These activities will be undertaken in accordance with this policy.

Our procurement policy and practices are designed to support the execution of the Stanwell vision, values and corporate strategy through the following principles:

##### 1.1 Achieve value for money

Stanwell will deliver value for money from its procurement activities through:

- contract consolidation, to optimise value through commercial tension where there are sufficient suppliers in the market;
- long term contracts with 'best fit' suppliers to improve commercial outcomes;
- non-cost factors including design, quality, service, support and fitness for purpose;
- cost factors including whole of life costs and transactional costs associated with acquisition, use, holding, maintenance and disposal; and
- sustainability principles including safety, environmental, statutory, legal and social principles.

##### 1.2 Ensure probity and accountability outcomes

Stanwell will conduct its procurement activities in a transparent manner to achieve probity and accountability. This will mean:

- that procurement activities are conducted ethically, honestly and with fairness to all parties, and will be based upon standards that meet the expectations of a Government Owned Corporation;
- accountability for the way procurement activities are performed including development and application of appropriate procedures and instructions and the keeping of proper records;
- that contracts are managed in a manner that realises all potential benefits while acting in the balanced interest of all parties;
- compliance with the Stanwell Code of Conduct which outlines appropriate probity requirements such as integrity in our behaviour, managing conflicts of interest and being responsible for our social, legal, commercial and environmental obligations;
- requiring suppliers to comply with the Stanwell Supplier Code of Conduct;
- compliance with the Stanwell Modern Slavery Policy which outlines our commitment to ensuring the goods and services we procure are ethical and minimise or eradicate Modern Slavery risks; and
- that before the commencement of procurement activity, appropriate approval from the appropriate authority is sought (including compliance with the Queensland Procurement Policy Best Practice Principles (**BPPs**) and Best Practice Industry Conditions (**BPICs**)).

### 1.3 Alignment to the Queensland Procurement Policy principles

Stanwell will align its procurement activities to the principles contained within the Queensland Procurement Policy.

The Queensland Procurement Policy is the state government's overarching policy for the procurement of goods and services and establishes a framework that can be delivered through procurement.

The Queensland Procurement Policy aims to:

- provide economic benefits to Queensland;
- maximise Queensland suppliers' opportunity to participate;
- support regional and remote economies;
- support disadvantaged Queenslanders; and
- stimulate the ICT sector and drive innovation.

The Queensland Procurement Policy principles centre upon:

- putting Queenslanders first when securing value for money;
- working together to achieve outcomes;
- governance and planning;
- being a leader in procurement practices;
- integrity, probity and accountability; and
- advancement of government objectives.

## 2.0 Scope

This policy applies to all procurement activities undertaken by or on behalf of Stanwell.

Exclusions:

- investment in shares;
- statutory payments such as taxes or royalties;
- transactions governed by the Board approved Trading Risk Management Policy;
- retail sales contracts; and
- community related expenditure such as donations or grants.

## 3.0 Purpose

The purpose of this policy is to provide a governance framework for all procurement activities carried out by Stanwell and its authorised representatives.

## 4.0 Application

Stanwell enhances the prospect of achieving its procurement objectives by balancing its procurement principles, together with the Queensland Procurement Policy, through the application of the following statements:

1. *We take a planned approach to all procurement:*

Covering annual procurement planning, taking a longer term view and flexibility of approach based on considered strategies.

2. *We communicate in an open and effective manner:*

Early engagement with stakeholders, consultation across the organisation and collaborative engagement with the supply market.

3. *Procurement effort is commensurate with levels of risk and criticality:*

Covering management of expenditure in accordance with procurement process, utilisation of established procurement arrangements, business continuity plans and focusing of efforts where greatest returns are expected.

4. *We make commercial decisions:*

Procurement decisions are based on application of the procurement principles, alignment with business strategies, management of risk and all supported by appropriate oversight.

Management of Stanwell inventory will align with Stanwell’s asset strategies, whilst minimising where appropriate inventory balances.

5. *We develop professional relationships with suppliers*

We will work with our suppliers in a consistent and professional manner to establish effective and advantageous supply arrangements.

## 5.0 Responsibilities and Authorities

Stanwell’s directors, employees and contractors (**our people**) who commit Stanwell to expenditure and procure goods and/or services are required to be aware of and comply with this policy.

Procurement and Supply are responsible for ensuring that this policy and all processes and procedures are appropriate for Stanwell and for monitoring compliance with this policy.

## 6.0 Review and Consultation (Prior to Approval)

The Executive Leadership Team members and the Stanwell Board will be consulted prior to approval.

This Document is required to be reviewed, at a minimum, every 2 year/s.

## 7.0 Communication Plan (After Approval)

At a minimum, this policy and any subsequent updates are communicated via email to the entire corporation. Additional communication may be coordinated by the policy owner.

This policy is available electronically in Stanwell’s document management system.

## 8.0 Definitions

Our people	Stanwell’s directors, employees and contractors who commit Stanwell to expenditure and procure goods and/or services in their capacity as a director, employee or labour hire employee.
Modern Slavery	Has the meaning provided in FNC-POL-25 – Modern Slavery Policy
Stanwell	Stanwell Corporation Limited

## 9.0 References (Including Information Services)

### Related Corporate Documents

GOV-POL-21	Board Delegations of Authority Policy
FNC-MAN-FIN-01	CEO Delegated Authorities
GOV-POL-30	Code of Conduct
FNC-POL-25	Modern Slavery Policy
ASM-STD-SUP-114	Supplier Code of Conduct
Finance Policies	
Safety & Environmental Policies	
Procurement & Supply Management Processes, Procedures and Guidelines	

### Legislative and Government Policy Requirements

*Competition and Consumer Act (Cth) 2010*

*Financial Accountability Act (Qld) 2009*  
*Financial and Performance Management Standard (Qld) 2009*  
*Corporations Act (Cth) 2001*  
*Government Owned Corporations Act (Qld) 1993*  
*Crime and Misconduct Act (Qld) 2001*  
*Modern Slavery Act (Cth) 2018*  
*Queensland Procurement Policy (QPP) 2023*

## 10.0 Revision History

Rev. No.	Rev. Date	Revision Description	Author	Endorse/Check	Approved By
-	30.09.2013	Procedure Issued – not approved	Tania Scott	Vince Aisthorpe	Richard Van Breda
0	02.04.2014	Changes made to reflect the revocation of the State Procurement Policy to Stanwell Corporation Limited	Tania Scott	Vince Aisthorpe	Richard Van Breda
1	01.02.16	Change made to Revision No and Revision Date	Tania Scott	Vince Aisthorpe	Richard Van Breda
2	21.03.2016	Change made to make policy Board Approved. Frequency of review changed from 3 to 2 yearly. Template changed from CEO approved to Board Approved Policy – not resubmitted to the board as the content already approved by the board as discussed with Michael O'Rourke – Authorisation as per Electronic Review tool submission	Tania Scott	Michael O'Rourke	Board
3	06.12.2016	Policy updated	Julie McCormack	Michael O'Rourke	Board
	09.10.2018	Policy updated	Andre Harvey	Michael O'Rourke	Board
4	22.02.2019	Increased detail in section 1.0 in response to Stanwell's approach to procurement and the Queensland Procurement Policy. Addition of exclusions in section 2.0 for greater clarity regarding the scope of this policy. General tidy up to section 4.0. Greater clarity in section 5.0 in regards to whom this policy applies.	Andre Harvey	Michael O'Rourke	Board
5	30.09.2021	Policy - added to title BPP and BPIC commitment - added Application areas - further defined QPP and Modern Slavery (added as references)	Steph Duncan	Michael O'Rourke	Board
6	01.09.2023	Updates as part of broader Modern Slavery Policy review.	Kam Mudaliar	Catherine Cook	Board