

1. Policy statement: Our commitment

Pacific Link is committed to ensuring that personal or individual interests that conflict with the interests of the organisation are identified and managed so that they do not affect the services, activities or decisions of the organisation.

Specifically, we will:

- record the Conflict of Interest (COI) in the central register maintained by the Company Secretary
- annually, prior to the AGM, request Directors to provide a declaration updating their disclosure on the Directors' Register of Interests
- update the register as required
- notify the Board of new information relating to any COI.

All newly elected Directors and all newly appointed employees will be required to complete a Conflict of Interest form. All current Directors and employees have to complete a new declaration form whenever a new potential conflict of interest arises.

An individual Director will not be involved in the decision-making process if the decision is related to the potential conflict of interest declared and the Chairman has determined that the conflict is material. Likewise, if material, a mitigation plan will be determined by the CEO, Company Secretary and relevant Manager for any employee declaring a COI.

Contractors are required to update their Conflict of Interest declarations on signing or renewal of maintenance service contracts.

2. Purpose

Why do we have a conflict of interest policy?

Actions and decisions taken at all levels in Pacific Link will be informed, objective and fair. A conflict of interest may affect the way a person acts, decisions they make, or the way they vote in group decisions. Conflicts of Interest need to be identified, and action taken, to ensure that personal or individual interests do not affect the organisation's services, activities or decisions.

Scope

This policy will apply to Directors, employees and contractors of Pacific Link.

3. Definition

This policy will apply to situations where the personal interests of an individual or group of individuals directly conflict with the best interests of the organisation, its members or clients, or where the decisions or actions of individuals may be influenced by their personal interests rather than those of the organisation.

This will include situations in which:

- close personal friends or family members are involved, such as decisions about employment, discipline or dismissal, service allocation or awarding of contracts.

- an individual or their close friends or family members may make a financial gain or gain some other form of advantage.
- an individual is involved with another organisation that is in a competitive relationship with our organisation and therefore may have access to our plans or financial information.
- an individual is bound by prior agreements or allegiances to other individuals or agencies that require them to act in the interests of that person or agency or to take a particular position on an issue.
- an individual receives a benefit from the organisation or from a third party associated with the organisation.
- an individual is housed by the organisation.
- an individual receives a benefit from a related service provider.

Conflicts of Interest can be actual, perceived, or potential:

- a) An **actual** conflict involves a direct conflict between an employee's duties and responsibilities to PLH and a competing interest or obligation, whether personal or involving a third party.
- b) A **perceived** conflict exists where it could reasonably be perceived, or give the appearance, that a competing interest could improperly influence the performance of an employee's duties and responsibilities to PLH.
- c) A **potential** conflict arises where an employee has an interest or obligation, whether personal or involving a third party, that could conflict with the employee's duties and responsibilities to PLH.

4. Registering known conflicts of interest (COI)

A register of conflicts of interest will be maintained by the Company Secretary. All actual, perceived and potential conflicts will be recorded in the register, showing:

- date COI advice received
- person involved in COI
- explanation of COI
- possible impact of COI
- basis for decision and mitigation plan for COI
- action taken (if any) following receipt of COI.

This register will ensure that:

- All financial and personal interests and relationships connected to the work of the organisation are documented.
- no special treatment or favours are granted to Directors or employees or their relatives, contractors or friends because of their position in the organisation.
- no gratuities or personal gifts are received because of a person's position.
- No person participates in decisions where they may have a conflict of interest.

Friends or relatives of either Directors or employees shall not be precluded from access to housing. Allocation of housing to eligible applicants shall not be made or recommended by a

person having an interest in the applicant. The allocation process must be documented as usual. The conflict of interest must be documented in the Conflict of Interest Register, if a friend or relative is housed by the organisation.

Directors are required by Corporations Law to declare **material personal interests** that may lead to an actual or perceived COI with their position as a director of PLH. These must be disclosed to the other directors, where **material** means “has the capacity to influence the director’s vote”.

5. Procedures

The Company Secretary will:

- update the COI register with employees’ declarations annually
- update the COI register for new employee or director declarations
- update the COI register where new COIs are declared by employees or directors
- request Directors update the Directors Register of Interests annually prior to each AGM. Interests that must be disclosed are:
 - all other directorships of or executive positions held in Australian listed entities (details in relation to overseas entities’ directorships not required)
 - directorships or memberships of or executive positions held in entities that may be relevant to the company (including shares in unlisted Australian companies, trusts)
 - all substantial shareholdings of 50% or more in other companies with which PLH transacts or in which it owns shares
 - other interests that may be relevant, eg another role of influence that may affect PLH’s interests, or the interests of a director’s spouse or other associate.
 - Contracts between PLH and an associated entity of a director, which are required to be disclosed as related party transactions in PLH financial statements.

Personal investments eg shareholdings in listed companies or interests in entities that are not relevant to PLH need not be disclosed.

Contractors are required to update their Conflict of Interest declarations on signing or renewal of maintenance service contracts and these are reviewed by the Asset Manager.

6. Managing conflicts of interest

Where an apparent conflict of interest arises, the organisation commits to recording it properly, recording the basis of the decision around the management of the COI, recording and communicating the COI mitigation actions and notifying the Board.

To resolve any conflicts of interests that occur, or could occur, a range of options is available depending on the significance of the conflict. These options include, but are not limited to:

- Informing likely affected persons that a disclosure has been made, giving details and the company’s view that there is no actual conflict or the potential for conflict is minimal

- Appointing further persons to a panel/committee/team to minimise the actual or perceived influence or involvement of the person with the actual or perceived conflict
- Where the persons likely to be concerned about a potential, actual or perceived conflict are identifiable, seeking their views as to whether they object to the person having any, or any further, involvement in the matter
- Restricting the access of the person to relevant information that is sensitive, or confidential
- Directing the person to cease supporting a third party whose actions may conflict with the company's interests (e.g. a person or organisation taking legal proceedings against the company)
- Removing the person from duties or from responsibility to make decisions in relation to which the 'conflict' arises and reallocating those duties to another employee (who is not supervised by the person with the 'conflict')
- Directors absenting themselves from or not taking part in any debate or voting on the issue.

Managing and responding to declared COIs will also include recording any initiatives recommended by the Board, reviewing the company's risk register in the event of adverse trends of COIs, carrying out any directed investigations and documenting the results of investigations in a timely and transparent manner.

Craig Brennan

Craig Brennan, CEO November 2018