

Directors' Code of Conduct

July 2025

Contents

1.	Introduction	3
2.	Core values	3
3.	Directors' duties	4
4.	Conflicts of interest	4
5.	Gifts, benefits and hospitality	5
6.	Lobbyists	5
7.	Corrupt conduct	5
8.	Legislation to prevail	5
9.	Review	5

1. Introduction

This Code applies to the Directors of the Energy Security Corporation (ESC), to assist in fulfilling their fiduciary duties and to act ethically and responsibly. It describes the expected standard of conduct from the ESC's Directors but is not an exhaustive statement of Directors' obligations.

2. Core values

The Directors will role model the core values of the ESC as a government sector body:

1. Integrity
 - i. Consider people equally without prejudice or favour;
 - ii. Act professionally with honesty, consistency and impartiality;
 - iii. Take responsibility for situations, showing leadership and courage; and
 - iv. Place the ESC's interest over personal interest.
2. Trust
 - i. Appreciate difference and welcome learning from others;
 - ii. Build relationships based on mutual respect; and
 - iii. Communicate intentions clearly and invite teamwork and collaboration.
3. Sustainability
 - i. Contribute to economic prosperity and social inclusion in an environmentally responsible and sustainable manner;
 - ii. Be fiscally responsible and focus on efficient, effective and prudent use of resources;
 - iii. Commercial focus drives value for money outcomes and business success;
 - iv. Be flexible, innovative and reliable; and
 - v. Engage diverse and reasoned advice to develop and implement business solutions.
4. Accountability
 - i. Safety Recruit and promote personnel on merit;
 - ii. Take responsibility for decisions and actions;
 - iii. Provide transparency to enable public scrutiny; and
 - iv. Observe standards for health, safety and environment.
 - v. Prioritise safety for our people and stakeholders;
 - vi. Create and foster an environment improves safety; and
 - vii. Promoting the core belief that safety is our greatest priority and that all injuries are preventable.
5. Collaboration
 - i. Value each other and create better outcomes by working together;
 - ii. Actively engage with stakeholders and forge stronger collaborative relationships; and

-
- iii. Ensuring business and cultural alignment with the Board's strategic direction.

3. Directors' duties

Directors will:

1. Act honestly, in good faith, and in the best interests of the ESC;
2. Use care and diligence in fulfilling the functions of the office of Director and in exercising the powers attached to that office;
3. Use the powers of office for a proper purpose, in the best interests of the ESC and its stakeholders;
4. Recognise the overarching responsibility and accountability Directors have to the public and the State of New South Wales, the employees, regulators and other stakeholders of the ESC;
5. Not make improper use of information acquired as a Director;
6. Be independent in judgment and actions;
7. Exercise all care and undertake all reasonable inquiries to be satisfied as to the soundness of decisions taken by the Board;
8. Ensure that confidential information received in the course of Directors duties remain the property of the ESC and not disclose information or allow it to be disclosed, unless authorised by the ESC or the discloser, or as required by law;
9. Not engage in conduct likely to bring discredit on the ESC;
10. Comply with the laws and regulations that apply to the ESC and its operations; and
11. Follow the additional requirements set out in this Code of Conduct.

4. Conflicts of interest

- 4.1. Directors are responsible for identifying, declaring, and managing all types of conflict of interest.
- 4.2. A Director with a conflict of interest must make a comprehensive written disclosure to the company secretary as soon as the conflict becomes known to the Director. The conflict of interest is to be tabled for inspection at the next Board meeting and recorded in the meeting minutes.
- 4.3. The personal interests of a Director must not be allowed to prevail over those of the ESC.
- 4.4. The company secretary must maintain a register of all declared material personal interests and actual or potential conflicts of interests.
- 4.5. For the purposes of this clause 4, the term 'conflict of interest' includes conflict between:
 1. a person's personal interests and the interests of the ESC
 2. a person's personal interests and their duties to the ESC
 3. a person's duties to the ESC and their duties to a third party.

5. Gifts, benefits and hospitality

- 5.1. Directors can accept gifts, benefits or hospitality (GBH) provided to them because of their role as Directors from external organisations and persons, where the acceptance:
1. Is not contrary to paragraph 3 (Directors' duties)
 2. does not create an obligation or expectation to act in a specific manner.
- 5.2. Subject to paragraph 5.1:
1. GBH can be accepted up to the value of \$40;
 2. GBH above \$40 and up to \$100 requires prior approval by the Chair;
 3. GBH above \$100 must not be accepted, except for invitations to Government and industry seminars, conferences or events which may be accepted with the prior approval of the Chair; and
 4. All offers of GBH over \$40 regardless whether accepted or not, are to be disclosed in writing to the company secretary for recording in the ESC's GBH register.

6. Lobbyists

Directors should be aware of and comply with the NSW Government's Lobbyist Code of Conduct which: (A) restricts the circumstances in which a lobbyist can be appointed to a Government Board or Committee and (B) requires that Government representatives must not knowingly meet with a third-party lobbyist who is not registered. Details of the Code and its operation are available from the website at <https://arp.nsw.gov.au/m2019-02-nsw-lobbyists-code-conduct>.

7. Corrupt conduct

Directors are expected to report any suspected unlawful, corrupt or unethical behaviour in writing to one of the ESC Disclosure Officers listed below. Where a Director wishes to make a disclosure protected under the *Protected Disclosures Act 1994*, this disclosure must be made in accordance with the ESC's public interest disclosures policy.

8. Legislation to prevail

This Code supplements the obligations of Directors under the *Energy Security Corporation Act 2024 (NSW)* ('ESC Act').

To the extent of any inconsistency between the ESC Act and this Code, the provisions of the ESC Act prevail.

9. Review

The Board will review this Code of Conduct and its performance against the Code every two years, or more often as the Board determines.

