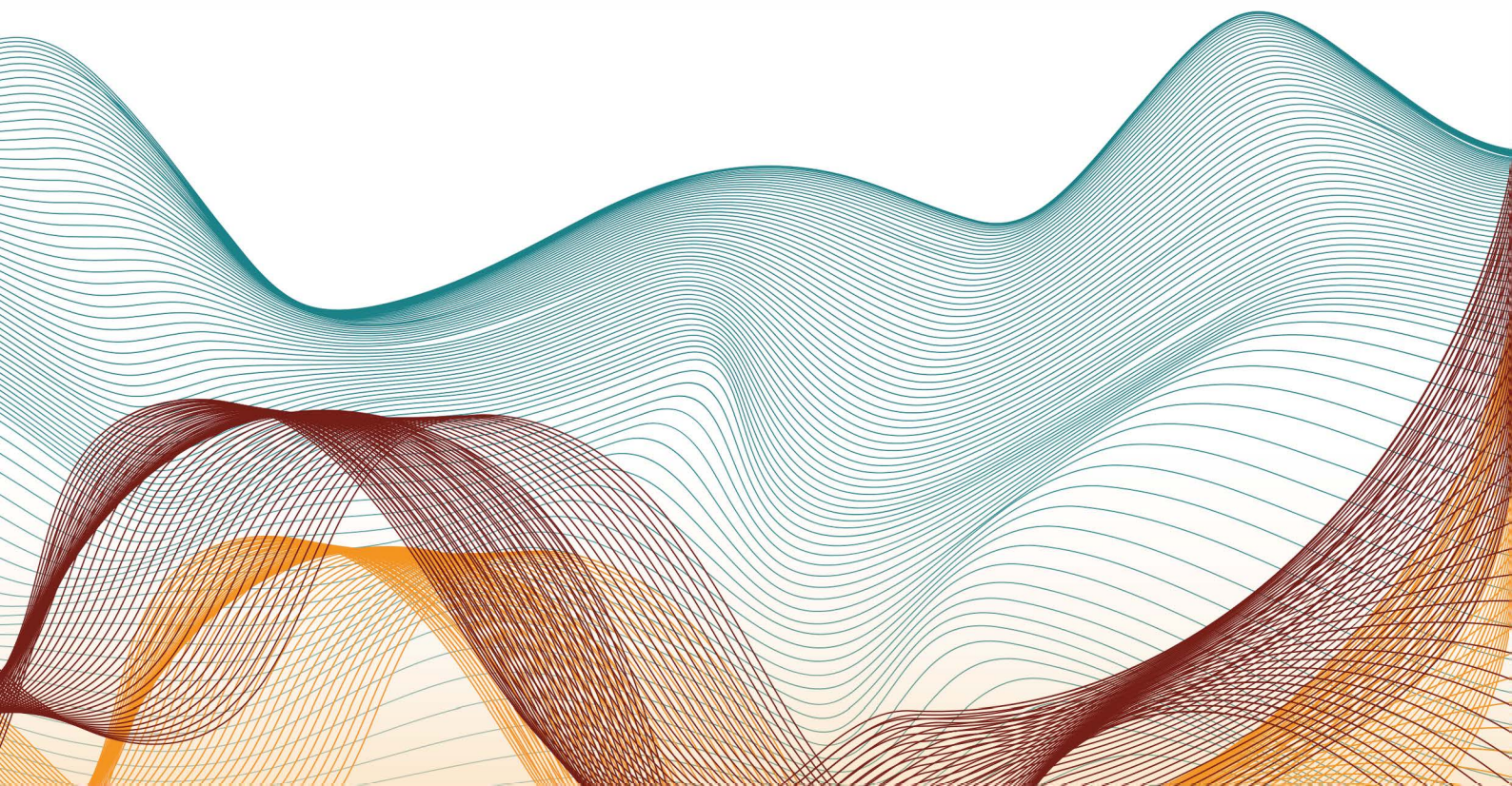


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PILBARA ISOCO LIMITED
ACN 650 785 783



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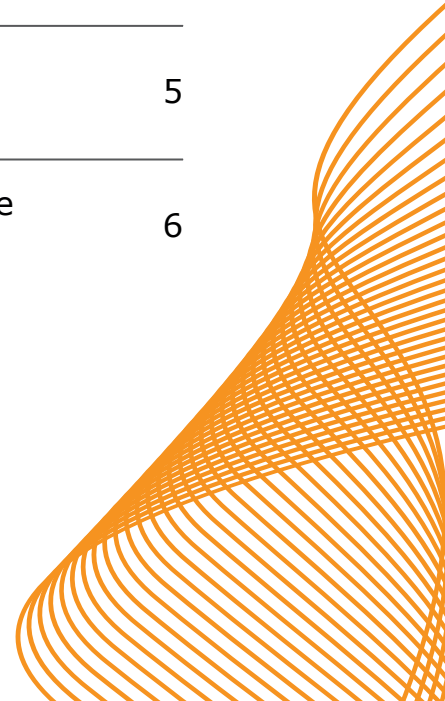
Document Name	Competition Compliance Policy
Related Documents	Constitution Code of Conduct Conflicts of Interest & Information Protocol Consultation Policy
Original date of authorisation	14 March 2024
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CHANGE HISTORY

Revision #	Date of authorisation of revision	Revision authorised by

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1. Introduction

This Competition Compliance Policy (**Policy**) contains principles and processes to assist Pilbara ISOCO Limited (**Company**) in complying with its competition law obligations under the *Competition and Consumer Act 2010* (Cth) (**CCA**).

2. Purpose

This Policy is intended to provide practical principles to guide the Board, Members and Company management in complying with their legal obligations under the CCA in relation to the business of the Company.

3. Definition of "Act"

For the purposes of this Policy "**Act**" means the *Electricity Industry Act 2004* (WA), and the instruments made under it, including the Pilbara Networks Access Code, Pilbara Networks Rules and Harmonised Technical Rules.

4. Policy

- (a) The Pilbara regime contained in the Act gives the Company a predominantly administrative role and so it relies on day to day system operation and control being undertaken by the network service providers, many of which are vertically integrated who are actually or potentially competitors.
- (b) In performing its functions under the Act, the Company is required undertake or facilitate various forms of conduct, including consultations and discussions with external stakeholders, some of which are also members of the Company.
- (c) The Company has implemented specific governance controls to manage competition law compliance, including as contained in the Constitution, Code of Conduct and Conflicts of Interest and Information Protocol.
- (d) This Policy provides overall guidance on how the Company will manage competition law compliance, including in interactions between the Company and external stakeholders.

5. Competition Law obligations

- (a) The CCA prohibits anti-competitive conduct, including:
 - (i) Cartel conduct: arrangements between competitors to fix prices; restrict the supply or acquisition of goods or services by parties to the arrangement; allocate customers or territories; or rig bids;
 - (ii) Concerted practices: other cooperation between competitors which has the purpose, effect or likely effect of substantially lessening competition, in particular, sharing competitively sensitive information with competitors such as future pricing intentions;
 - (iii) Any contract, arrangement or understanding which has the purpose, effect or likely effect of substantially lessening competition;
 - (iv) Any conduct by a company with market power which has the purpose, effect or likely effect of substantially lessening competition;
 - (v) Collective boycotts: where a group of competitors agree not to acquire goods or services from, or not to supply goods or services to, a business with whom

the group is negotiating, unless the business accepts the terms and conditions offered by the group.

- (b) A contravention of the CCA could result in significant penalties for the Company, its directors and officers, its members and their respective employees.
- (c) The Company is committed to the highest standards of integrity, fairness and ethical conduct, including full compliance with all relevant legal requirements, and in turn requires that all its Board members, officers (including the CEO), managers, employees and contractors acting on its behalf meet those same standards of integrity, fairness and ethical behaviour, including compliance with all legal requirements.

6. Authorisation

- 6.1 A two year competition authorisation is included in regulation 16A of the *Electricity Industry (Pilbara Networks) Regulations 2021* which covers, in summary, an arrangement, act, matter or thing done by the Company or its directors, members of delegates in the performance of, or otherwise in relation to, a function that the Company has under the Act or protocols, procedures or other instruments relating to the performance of the Company's functions. This authorisation expires on 4 November 2024 and cannot be extended.
- 6.2 The Company proposes to seek an authorisation under the CCA in respect of a limited set of conduct undertaken with respect to system operations. To the extent this authorisation is granted, the Company must review this Policy as soon as practicable and if applicable, update the Policy for any conditions imposed by the authorisation.
- 6.3 The Company must consider the impact of any rule changes under the Pilbara Networks Rules on this Policy, and on any authorisation granted under the CCA, and must update this Policy if required.

7. Governance controls

- (a) The Company, its officers, members and management take their obligations under the CCA seriously, and have recognised that due to the structure of the Company and its role under the Act / Pilbara regime, that the flow of information, discussions between potential competitors and decision making processes by the Company needs to be carefully managed.
- (b) To address these concerns, and to properly manage competition risk under the CCA, the Company has enacted several important governance controls.
- (c) The Company has:
 - (i) Embedded the role of the Pilbara ISOCO Advisory Subcommittee (sub-committee of the Board) in the Constitution, and provided it with a role to provide advice to the CEO when requested in respect of the performance of the Company's functions, including advice in relation to managing conflicts of interest and competition law compliance. The Pilbara ISOCO Advisory Subcommittee can seek professional advice as necessary.
 - (ii) Adopted the Code of Conduct, which, among other things, requires all Company personnel to comply with all applicable laws and not to use their position, or take advantage of information belonging to the Company, for the benefit of any other business or person. It also contains restrictions on the disclosure of confidential Company information;
 - (iii) Adopted the Conflicts of Interest & Information Protocol, which supplements the Code of Conduct and must be complied with by all Directors and officers. The protocol outlines processes to be applied in circumstances where a Director may have a conflict of interest and also contains principles and

procedures to guide the Board, Nominee Directors, Members and Company management regarding risks of disclosure of information where this could cause the Company to breach obligations of confidentiality, or where the exchange or misuse of information that could cause the Company to contravene competition laws; and

- (iv) Adopted the Consultation Policy, which contains a framework for the Company to undertake stakeholder consultation as required by the Company's functions in a manner which ensures conflicts of interest are appropriately managed and competition laws are complied with.
- (d) Access to confidential information, and potentially competitively sensitive information, will also be securely stored and access to it strictly limited, under the Company's Cyber Security Policy.
- (e) The Company monitors and reviews its governance controls regularly, and will update them as and when circumstances change or a need arises to address a competition law, or other material, risk.

8. Competition compliance protocol

- (a) Company management must include the competition law protocol annexed to this Policy (**Competition Compliance Protocol**) as a standing item in the agenda for all:
 - (i) meetings of the Board or any Committee of the Board,
 - (ii) meetings of the Members; and
 - (iii) formal meetings in performance of the Company's functions under the Act, for example, system coordination meetings.
- (b) The Chairperson of the meeting should also make the Competition Compliance Protocol available at the start of any other meetings organised and facilitated by the Company where the Chairperson determines there to be a material competition law risk due to the nature of the information to be exchanged or discussed at the meeting.
- (c) The Chairperson must monitor discussions and may ask any participant to leave the meeting for discussions on agenda items where the Chairperson determines there is a competition law compliance risk which cannot otherwise be avoided.
- (d) If any representative of the Company has a concern regarding the competition law implications of any issue discussed at a meeting, that person should object to the matter being discussed. If, despite the objection, discussion of the matter continues, then participation in the meeting/discussion should cease and a file note made of the relevant events, including the time at which the representative of the Company ceased to participate in the relevant meeting/discussion. The Company representative must also report the matter to the Chief Executive Officer immediately.

9. Competition Law training

- (a) The Company must provide appropriate training on obligations under the CCA to the Independent Director, Government Appointed Director, Company management and all employees of the Company on an annual basis.
- (b) Training of Nominee Directors and members of the Company is the responsibility of their respective organisations.

10. Monitoring and Review

- (a) This Policy must be approved by and can only be amended with the approval of the Board.
- (b) The Secretary is responsible for administering, implementing, and reviewing this Policy in consultation with the Board.
- (c) This Policy shall be reviewed by the Board annually and otherwise as contemplated by paragraph 6.

Annexure

Competition Compliance Protocol

COMPETITION LAW OBLIGATIONS

If a meeting participant has a concern regarding the competition law implications of any issue being discussed at any meeting, please bring the matter to the immediate attention of the Chairperson.

The CCA prohibits anti-competitive conduct, including:

- (a) Cartel conduct: arrangements between competitors to fix prices; restrict the supply or acquisition of goods or services by parties to the arrangement; allocate customers or territories; or rig bids.
- (b) Concerted practices: other cooperation between competitors which has the purpose, effect or likely effect of substantially lessening competition, in particular, sharing Competitively Sensitive Information with competitors such as future pricing intentions.
- (c) Any contract, arrangement or understanding which has the purpose, effect or likely effect of substantially lessening competition.
- (d) Any conduct by a company with market power which has the purpose, effect or likely effect of substantially lessening competition.
- (e) Collective boycotts: where a group of competitors agree not to acquire goods or services from, or not to supply goods or services to, a business with whom the group is negotiating, unless the business accepts the terms and conditions offered by the group.

A contravention of the CCA could result in significant penalties for Pilbara ISOCO, its Members and their respective employees. Cartel conduct may also result in criminal sanctions, including gaol terms for individuals.

Competitively Sensitive Information means information that is not otherwise in the public domain (ie. information that is confidential or has not been published) relating to commercially sensitive matters, such as information about rates and prices, customer/supplier lists, unit costs, market share, pricing projections, commercial strategy, contract negotiations.

Competitors / In Competition

A person/company is a competitor of or is in competition with another person/company if it supplies (or is likely to supply) the same or similar products as that other person/company. A person/company could also be a competitor or be in competition with another person/company if they purchase the same or similar goods or services as that other person/company..

Guiding Principles – what must not be discussed

In any circumstances in which a meeting participant are or are likely to be in competition with one another or one or more of them are or are likely to be in competition the meeting participant must not discuss or exchange with any of the other participants any Competitively Sensitive Information¹ including without limitation the following:

- (a) the rates or prices (including any discounts or rebates) for the goods produced or the services produced by the Members that are paid by or offered to third parties;
- (a) the confidential details regarding a customer or supplier;
- (b) any strategies employed to further any business which is or is likely to be in competition with others;

¹ Note: Meeting participants should note that although information in the public domain will not in itself be commercially sensitive, the context in which it is provided, any view expressed or analysis in relation to it may be separately commercially or competitively sensitive and should not be discussed with others.

