



Governance Policy

Purpose

This policy outlines the governance principles which we adopt to formalise our commitment to sound corporate governance practices and creating sustainable returns to our shareholders.

1. Scope

This policy applies to Hydro Tasmania, Entura, Momentum Energy and AETV (Tamar Valley Power Station).

2. Principles

We adopt the following governance principles:

2.1. Good governance practices

We aim to apply good governance practices by seeking to adopt and implement the recommendations set out in the [ASX Corporate Governance Principles and Recommendations](#) to the extent applicable to our organisation. We recognise the importance of:

- laying solid foundations for management and oversight
- structuring the Board to be effective and add value
- instilling a culture of acting lawfully, ethically and responsibly by applying the [Code of Conduct](#) and [Sustainability Principles](#)
- safeguarding the integrity of corporate reports
- making timely and balanced disclosures
- respecting the rights of the Portfolio Minister and the Treasurer
- recognising and managing risk consistently with our [Risk Appetite Statement](#) and [Risk Management Policy](#)
- managing our data and information by applying the [Data and Information Governance Policy](#)
- remunerating fairly and responsibly.

2.2. Integrity and transparency

Our employees and contractors will act with integrity and transparency. In particular, we:

- proactively manage conflicts of interests through the timely disclosure of relevant interests applying the [Conflict of Interest Procedure](#)
- recognise the value of transparency and accountability and encourage a culture of proactively reporting concerns
- support the proactive disclosure of concerns consistent with our obligations under the *Public Interest Disclosures Act 2002* and other relevant legislation and will take all reasonable steps to protect individuals making disclosures and provide natural justice to all parties involved applying the [Disclosure Procedures](#)
- will not tolerate dishonest or illegal activities, including fraud, bribery and corruption.

2.3. Compliance

We endeavour to comply with our obligations, including applicable legislation, regulations, rules, contracts, licences, industry standards, and our policies and procedures. In pursuit of this goal, we:

- encourage the raising of concerns by employees and contractors in relation to compliance, without victimisation or retaliation
- apply a risk-based approach to compliance, guided by our [Risk Appetite Statement](#)
- proactively manage non-compliances, prioritising higher risk obligations using our [Compliance Incident and Breach Management Procedure](#)
- plan for, manage, monitor, document and report on the compliance management system
- set compliance objectives
- seek to align, where appropriate, with contemporary and relevant practices and processes, including ISO Standard 37301 Compliance Management Systems.

2.4. Internal audit

We operate an internal audit function to review the financial and operational controls designed to manage risks and achieve objectives. The internal audit function:

- assesses efficiency, effectiveness, economics and ethics
- is comprehensive, covering all our programs and activities
- applies a risk-based and systematic approach to evaluating internal management, control and governance processes guided by our [Risk Appetite Statement](#)
- is independent of management and has no direct authority, involvement or responsibility for the activities it reviews
- has comprehensive access to all necessary functions, premises, assets, personnel, records and other information for the purpose of conducting audit activities
- ensures confidentiality of the information it receives
- seeks to align with the Institute of Internal Auditors' International Professional Practices Framework
- operates in accordance with the organisation's values, policies, procedures, as well as relevant professional standards.

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Policy Owner:	Assistant Corporation Secretary

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All Hydro Tasmania, Entura, Momentum Energy and AETV employees and contractors must comply with all relevant laws and regulations, policies, procedures and supporting resources.