



Australian Rail Track Corporation

# Statement of Business Ethics

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## Table of Contents

Foreword.....	2
Working with Us.....	3
Our values .....	3
Guiding Principles .....	4
<input checked="" type="checkbox"/> Safety.....	4
<input checked="" type="checkbox"/> Value for money.....	4
<input checked="" type="checkbox"/> Ethical and Probity considerations.....	4
<input checked="" type="checkbox"/> Open, fair and effective competition.....	4
<input checked="" type="checkbox"/> Efficient, Effective and Economical Processes .....	4
ARTC Procurement-What you can Expect from Us.....	5
How We Will Engage You.....	5
What we expect from you .....	6
Consequences for not complying .....	6
Guidance notes .....	6
Gifts and benefits.....	6
ARTC’s employees and assets .....	6
Your employees and sub-contractors.....	7
Conflicts of Interest.....	7
Confidentiality and accuracy of information .....	7
Contractors and Sub-contractors.....	7
Intellectual Property rights .....	7
Who to contact .....	8
Questions about this Statement of Business Ethics .....	8
Reporting possible wrongdoing .....	8



The Australian Rail Track Corporation (ARTC) plays a critical role in the transport supply chain and in the overall economic development of Australia. Its network is used to move a range of commodities including general freight, coal, iron ore, other bulk minerals and agricultural products. It's also important in providing access for interstate and inter-city passenger services to train operators.

We are unashamed champions of rail as a cost efficient, reliable, safe and responsible mode of transport. Across five states we manage and maintain an 8,500km rail network investing billions of dollars to build, extend and upgrade our network to get freight off the road and onto rail. That's good for business, motorists, the environment and communities.

We continue to meet the changing needs of our customers and seek to grow our organisation safely and in environmentally responsible ways. We are committed to the health and safety of our people, the environment and the communities in which we operate. In all our efforts, we aim to be inclusive and build pride and loyalty in our workforce.

ARTC relies on the support of its commercial partners (including both government and non-government agencies) and suppliers to assist in delivering public value, not only for large scale projects such as Inland Rail but to achieve our vision of making rail the transport mode of choice in Australia.

This statement sets out the appropriate standards for doing business with ARTC.

For additional information about this Statement of Business Ethics please contact our General Manager Procurement & Contracts on 02 4941 9689.

**John Fullerton**

**Chief Executive Officer & Managing Director**

## Working with Us

Working with us as a supplier or contractor usually happens at a local or project level. Depending on the nature of your work, there are competencies and requirements you'll need. Safety is our top priority, so you'll need to familiarise yourself with safety information and alerts. You may also need to do an induction. Detail on working with ARTC can be found at:

<https://www.artc.com.au/work/contractors/>

## Our values

Our values and behaviours are the foundation of our business. Our culture supports diverse and broad thinking, customer focused decision making, accountability and responsibility.

Our values are:

No harm	<ul style="list-style-type: none"><li>• In our world, safety is everything. We care about our people, environment and communities. It doesn't matter how big or small, doing things safely means doing things right.</li></ul>
Future thinking	<ul style="list-style-type: none"><li>• Future thinking is in our DNA. It's how we innovate, change the game and break through challenges and barriers. We're leaders who think differently; curious and skilful, we challenge the status quo.</li></ul>
Active Engagement	<ul style="list-style-type: none"><li>• We care about what matters and we're committed to the success of our customers, stakeholders and employees. We ask questions, listen and respond to needs. We're always on the front foot and actively engaged.</li></ul>
Results	<ul style="list-style-type: none"><li>• We deliver results. We're driven by results because they lead to progress. Determined to make rail the mode of choice for freight, we work together to achieve personal, organisational and industry-wide results.</li></ul>

## Guiding Principles

With our values in mind, ARTC observes a number of Principles when procuring goods and services.

These Principles apply at all stages of the procurement, regardless of the risk and value. These include:

### **Safety**

Health and safety is the responsibility of all employees, including our contractors and our suppliers. Working in a high risk industry means we must all be vigilant to identify, manage and mitigate safety risks and to ensure no one is harmed at work or on our network.

### **Value for money**

ARTC will procure goods and services that offer the best value for money. Best value for money does not automatically mean the lowest price. Rather, ARTC will balance all relevant factors including initial cost, whole-of-life cost, quality, reliability and timeliness in determining true value for money. As such it is a key principle that will be reviewed before committing to a contractual outcome.

### **Ethical and Probity considerations**

All procurement activity must be conducted without prejudice or favour and in accordance with ARTC's Code of Conduct and Conflict of Interest Policy. As such, all Proponents (potential suppliers who submit, or intend to submit a proposal to supply goods/services) must be treated equally and not be discriminated against due to any reason.

All participants in any procurement activity, including but not limited to Request for Tender, Request for Quotation, Request for Information through to payment and contract close out must declare any potential, actual or perceived conflicts of interest.

### **Open, fair and effective competition**

All procurements must be conducted in an open, consistent and transparent manner, and in a way, which encourages and enables competition that doesn't impose unnecessary costs on existing or potential suppliers.

### **Efficient, Effective and Economical Processes**

The method of engagement must be "right-sized" based on the cost and risk of the procurement initiative. This means selecting the approach that will deliver the best outcome (including Value for Money) for ARTC, its customers and suppliers.



## ARTC Procurement-What you can Expect from Us

ARTC is a Commonwealth company, established under the Corporations Act 2001 and is classified as a GBE (Government Business Enterprise).

Whilst ARTC is not bound by the Commonwealth Procurement Rules (CPRs), the procurement framework has been designed to have suitable regard to the CPRs.

ARTC will ensure all its policies and procedures relating to procurement are consistent with best practice and the highest standards of ethical conduct.

ARTC aims to obtain value for money and the best outcome for its operations while providing fairness and the highest standards of governance, through its request for quotations/tenders' stages, evaluations, contracting and contract management.

The Procurement Principles as described above *must* be demonstrably applied to all procurement decisions with supporting documentation commensurate with the value and risk of the procurement, in accordance with ARTC's procurement procedures.

Our staff are accountable for their actions and are expected to:

- Deal fairly, honestly and ethically with all current and potential suppliers and contractors
- Avoid any conflicts of interest, (whether perceived or real)
- Document procurement decisions to provide an effective audit trail
- All employees must abide by the Code of Conduct and declare any conflicts of interest.

## How We Will Engage You

- Goods and services will be ordered through an approved method such as a purchase order
- If a contract is awarded, we will include information on the preferred ordering method
- You should question any engagement that does not refer to an ARTC purchase order or contract number
- Tenderlink is our e-tendering solution and ARTC tenders are posted on:
  - **Tenderlink.com/artc**, and
  - **Tenderlink.com/inlandrail**

## What we expect from you

- Be committed to safety and maintain compliance with the Work Health and Safety Act 2011, the Work Health and Safety Regulations 2011 and any other relevant laws, regulations, codes or standards, as they relate to ARTC's operations and as amended from time to time
- Adhere to our corporate values
- Provide accurate and reliable advice and information when required
- Declare actual or perceived conflicts of interest as soon as you become aware of the conflict
- Adhere to ARTC's drug and alcohol policy which applies to all workers on our sites including offices
- Maintain adequate insurance coverage including workers compensation, public liability, professional indemnity and motor vehicle as applicable
- Follow our stated policies and procedures
- Act ethically and fairly in all dealings with ARTC
- Take all measures to prevent disclosure of confidential information, and
- Treat ARTC employees and customers with respect.

## Consequences for not complying

You should be aware of the consequences of not complying with ARTC's business ethics requirements. Demonstrated corrupt or unethical conduct could lead to:

- Termination of contracts
- Termination of future work
- Loss of reputation
- Investigation
- Matters referred for criminal investigation

## Guidance notes

All personnel involved in a procurement activity must comply with the following procurement ethics. In summary these ethics include:

### Gifts and benefits

Anyone conducting procurement on behalf of ARTC must not accept gifts or hospitality from any potential Proponent or Supplier which may influence commercial decisions.

The General Counsel and Company Secretary must be notified of any offers of gifts or hospitality during a tender process, including those that have been declined which may influence procurement decisions.

ARTC employees or contractors are not permitted to ask for gifts, travel or hospitality that arise as a result of their work. Any form of gift may be seen to have a potential to influence commercial decisions or favour a particular person or organisation. Importantly, a conflict of interest may arise even if the gift is well meaning or well intentioned.

### ARTC's employees and assets

ARTC seeks to protect its employees, physical assets, information and reputation from potential security threats.



Always act with care and diligence, utilising ARTC's resources in a proper manner. All ARTC assets must only be used for its proper official purpose.

## Your employees and sub-contractors

### Conflicts of Interest

A conflict of interest can arise when private interests of a worker has the potential to influence the worker in performing work for and on behalf of ARTC. Private interests include interests of a personal or commercial nature and include those of an individual or an individual's household.

All ARTC employees are required to disclose any actual, perceived, or potential conflicts of interest.

The requirement to declare any conflict of interests, is extended to all ARTC proponents and suppliers. Proponents are advised to provide a declaration of conflict of interest as part of their tender response/bid proposal to ARTC.

The Procurement Team will put in place strategies to manage any actual, perceived or potential conflict of interest which could involve removing an employee from a procurement activity and replacing them with another.

Current suppliers to ARTC are asked to provide formal notification of any new actual, perceived or potential conflict of interest in writing to the ARTC General Counsel & Company Secretary. ARTC will respond with a determination of any required action.

### Confidentiality and accuracy of information

Confidential information (in whatever form – hard copy, electronic, etc.) must be treated as such and protected as appropriate.

Information given in the course of duty is to be true and never designed to mislead.

The confidentiality of information received in the course of duty is to be respected and is not to be used for personal gain.

All information gained by a supplier, proponent, contractor or consultant in the course of its business with ARTC should be treated as confidential and should not be released to other parties unless specifically authorised by ARTC.

### Contractors and Sub-contractors

All contractors and sub-contractors are required to comply with this Statement of Business Ethics. Contractors are responsible for making any of their sub-contractors aware of this Statement of Business Ethics

### Intellectual Property rights

In business relationships with ARTC, parties will respect each other's intellectual property rights and will formally negotiate any access, license or use of intellectual property. The specific requirements of copyright laws and individual contracts must be adhered to in relation to confidentiality and intellectual property.





## Who to contact

### Questions about this Statement of Business Ethics

For additional information about this Statement of Business Ethics or ARTC's procurement framework and procedures, please contact

Australian Rail Track Corporation

General Manager Procurement & Contracts, Corporate Services & Safety

by phone 02 4941 9689.

### Reporting possible wrongdoing

The key mechanisms in place to support the prevention, detection and response to fraud are outlined in the ARTC Fraud Control Plan. If you are concerned about a possible breach of this statement, or about any conduct that could involve fraud, corrupt conduct, maladministration, or serious and substantial waste of public funds, please contact one of the following independent and anonymous channels:



PHONE: 1800 931 136

EMAIL: [FAIRCALL@KPMG.COM.AU](mailto:FAIRCALL@KPMG.COM.AU)

MAIL: THE FAIR CALL MANAGER

KPMG FORENSIC

PO BOX H67

AUSTRALIA SQUARE

SYDNEY NSW 1213