

# CONFLICT OF INTEREST POLICY: STAKEHOLDER COMMITTEES

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## Conflicts and Material Personal Interests

1. All Industry Skills Australia Limited (ISAL) Stakeholder Committee members need to be aware of the potential for a conflict of interest to exist or arise. This policy aims to assist all ISAL Stakeholder Committee members on how to avoid conflicts interest, and how to report and deal with conflicts of interest when they arise.
2. All ISAL Stakeholder Committee members are required to:
  - i. Avoid conflicts of interest;
  - ii. Disclose conflicts of interest immediately when they arise;
  - iii. Disclose material personal interests and other conflicts.
3. A conflict of interest can be financial or non-financial.
4. Some conflicts relate to a material personal interest that an employee or subcontractor has in a matter.
5. A material personal interest is an interest of Stakeholder Committee members in any matter that may reasonably be expected to affect the Stakeholder Committee members judgment and decision making on what is in the best interests of the Stakeholder Committee and industry they represent in relation to the matter.
6. An interest or association will be considered to give rise to a 'material' conflict if it has a reasonable possibility of influencing, or as reasonably being seen to influence, the decision or actions of the relevant individual. An interest need not be financial in order to be considered material. In order for the interest to be considered material it must be of some substance or significance, and not merely a slight or low value interest. To be considered 'personal', the interest must relate to the member, either directly or indirectly.
7. Stakeholder Committee members must notify the Committee Chair and the ISAL Committee manager as soon as practicable after a material personal interest arises. If a Stakeholder Committee member is uncertain whether a conflict is a material personal interest, the Stakeholder Committee member should notify the committee chair and the ISAL Committee manager as described directly above. Whether the conflict is a material personal interest should be determined by a majority of non-conflicted members and the reason for the decision will be recorded in the committee meeting minutes.

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8. Where a Stakeholder Committee member has an interest that is deemed to be material, the conflicted member must not:
- i. be present while any matter which relates to their conflict of interest is being considered at the meeting; nor
  - ii. vote on the matter.

Where a Stakeholder Committee member has a material interest and therefore cannot be present while a matter is being considered, they will be allowed to provide their views in writing, which must be recorded in the minutes.

9. All Stakeholder Committee members must:
- a) Declare any potential, actual or perceived conflicts of interest that exist on commencing their membership with the Stakeholder Committee;
  - b) Declare any potential, actual or perceived conflicts of interest that arise or are likely to arise during their membership of the Stakeholder Committee;
  - c) Take all reasonable steps to avoid being placed in a situation where there is a potential, actual or perceived conflict of interest possible;
  - d) All declared conflicts of interest are to be recorded in the ISAL Stakeholder Committee Conflict of Interest Register which is held by the ISAL Stakeholder Committee secretariat.
10. All conflicts of interest will also be recorded in the Conflict of Interest Register which will be held by the Company Secretary and which must document the following:
- i. the name of the relevant individual or organisation;
  - ii. details of their role on the Stakeholder Committee;
  - iii. a record and description of any declared interests or associations, including details of how this interest or association relates to any actual or potential activities of the Stakeholder Committee;
  - iv. the date of disclosure;
  - v. an assessment of the integrity risks posed by the declared interest or association; and
  - vi. any steps taken to mitigate, manage or remove the conflict (if any), including identifying any follow up actions required.
11. Upon appointment, a Stakeholder Committee Member must complete a material personal interest declaration.