

CONFLICT OF INTEREST POLICY: EMPLOYEES AND SUBCONTRACTORS

Conflicts and Material Personal Interests

1. All Industry Skills Australia Limited (ISAL) employees and subcontractors need to be aware of the potential for a conflict of interest to exist or arise. This policy aims to assist all ISAL employees and subcontractors on how to avoid conflicts interest, and how to report and deal with conflicts of interest when they arise.
2. All ISAL employees and subcontractors 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 an employee or subcontractor in any matter that may reasonably be expected to affect the employee's or subcontractor's judgment on what is in the best interests of the Company 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 employee or subcontractor, either directly or indirectly.
7. An employee or subcontractor must notify the CEO and their line manager as soon as practicable after a material personal interest arises. If an employee or subcontractor is uncertain whether a conflict is a material personal interest, the employee or subcontractor should notify the CEO and their line Manager as described directly above and whether the conflict is a material personal interest should be determined by the CEO.

8. All employees and subcontractors must:
 - a) declare any potential, actual or perceived conflicts of interest that exist on commencing their employment or contract with ISAL;
 - b) Declare any potential, actual or perceived conflicts of interest that arise or are likely to arise during their employment or contract with ISAL;
 - 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 Conflict of Interest Register which is held by the CEO.
9. 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 employee or subcontractor;
 - ii. details of their role;
 - 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 employee or subcontractor;
 - 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.
10. Upon appointment, an employee or subcontractor must complete a material personal interest declaration.

Gifts and Hospitality

11. The Company permits employees and subcontractors to accept hospitality or gifts in limited circumstances only.
12. An individual must decline a gift if there is a reasonable belief that it is being provided in order to secure a particular benefit, or to influence the Company or Board decision making around a particular issue, or where it could be perceived by a reasonable person that the giving of the gift may have this effect on Company or Board decision making.
13. In considering whether to accept or reject hospitality or a gift to the value of \$50 or more, the individual must consult with the CEO.

14. All hospitality or gifts to the value of \$50 or more must be declared to the Company Secretary and entered onto the Gifts, Benefits and Hospitality Register which documents:
- a) who the recipient of the gift, benefit or hospitality is;
 - b) who provided the gift, benefit or hospitality;
 - c) a description of the gift, benefit or hospitality and its value;
 - d) the circumstances in which the gift, benefit or hospitality was provided;
 - e) an assessment of whether the nature and/or circumstance in which the gift, benefit or hospitality was provided could give rise to an actual or perceived conflict of interest.