
CONFLICT OF INTEREST POLICY

PURPOSE

To clarify the directors and staff obligations in relation to personal or business interests and other relationships that may affect business arrangements involving MRAEL, so as to avoid actual or perceived conflicts of interest.

As directors are members of the company they are often host businesses and/or suppliers of services or products to MRAEL, so there is potential for real or perceived conflict of interest. This policy gives a proactive mechanism for handling such situations.

To declare any material interests in the business of the company or any contract or proposed contract with MRAEL.

To manage with transparency and integrity, any situations of potential conflict of interest between MRAEL's business units, particularly with regard to the Australian Apprenticeships Centre's (AAC) dealings with the Group Training Organisation (GTO) and Registration Training Organisation (RTO).

To promote and protect the image and reputation with stakeholders, employees and the general public that MRAEL operates under ethical standards and sound business practices.

To avoid any dissent and unrest in decision-making through upfront publication of a transparent process to handle and record conflict of interest.

Compliance with Standard 8 of the National Standards for Group Training Organisations, the Australian Apprenticeships Support Services (AASS) Contract and the Corporations Act 2001.

SCOPE

Directors of the board and members of Board committees, albeit that these persons do not hold positions as directors and do not have the formal power to vote in board meetings.

The Chief Executive Officer (CEO), managers and any employee of MRAEL occupying a decision-making position or with influence over decision-making involving business arrangements.

All conflicts of interest whether direct or indirect, actual or potential, pecuniary or non-pecuniary are captured by this policy.

POLICY

The best interests of the company as a whole are paramount to other interests of third parties, individual stakeholders, directors, employees or associates.

The policy will be concerned with major conflicts of interest of a material nature and this is, to some extent, a matter of judgment contingent upon whether the issue is of significant importance to the company.

Due to the diverse range of operations within MRAEL Limited, across the operational areas of the Group Training Organisation, Registered Training Organisation and the Australian Apprenticeships Centre, it is critical that operational transparency is maintained to ensure that no conflicts of interest are created.

TYPES OF CONFLICT

The directors, CEO, managers or other relevant persons within the company able to make, influence or participate in decisions:

- Shall not have a personal interest or engagement with a third party except with the informed consent of the company.
- Shall not misuse their position or knowledge within the company for personal or professional gain, profit or advantage except with the informed consent of the company.
- Shall not misappropriate the company's property or knowledge for their own or a third party's advantage or usage except with the informed consent of the company.
- Shall give notice of any material personal interest or involvement relating to any affairs of the company.

PROCEDURE

Any personal or business matter which is or could lead to a conflict of interest must be declared at the earliest possible time to the Chairman (in the case of directors and the CEO) and the CEO (in the case of managers and employees).

MANAGERS AND EMPLOYEES

For managers and employees, the CEO will decide if there is an actual conflict of interest and will determine necessary action to be taken.

CEO

For the CEO, the Chairman will decide if there is an actual conflict of interest and if it is of a material nature. The Chairman will determine necessary action to be taken.

DIRECTORS

For directors, the full board will decide if there is an actual conflict of interest and if it is of a material nature. Details will be minuted along with the necessary action to be taken.

A director with a declared and material conflict of interest shall not vote on any resolution concerning the issue and may only remain in the room during any discussion with board approval which shall be minuted (s192 of the Corporations Act). As part of the minute process, the board will determine whether the discussion, outcome or resolution is to be shared with the director with a material conflict of interest.

The Chairman is ultimately responsible for managing conflict of interest issues in accordance with this policy. Where the Chairman is absent or directly involved then responsibility falls to the Deputy Chairman.

BUSINESS UNITS

There is a perceived conflict of interest for MRAEL's Australian Apprenticeships Centre, because MRAEL also operates a Group Training Organisation and Registered Training Organisation. The perceived conflict arises because the company will authorise payments via the AAC to benefit the GTO.

The management structure of MRAEL's AAC is separate to MRAEL's other operational divisions. MRAEL employs experienced professional staff to administer the Commonwealth Australian Apprenticeships Incentives Programme with utmost attention to eligibility and probity. Procedures, detailed guidelines and work instructions will be maintained to ensure fair, equitable and streamlined administration of these incentives by the AAC. The AAC is not driven by a profit focus and has no motivation to inappropriately promote MRAEL's group training operations. The AAC will not promote the RTO services unfairly over other providers.