
CORPORATE GOVERNANCE STATEMENT

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Corporate Governance Statement

Apprenticeships Are Us Ltd

Policy – Corporate Governance

Policy Name	Corporate Governance Statement
Date:	18 th February 2022
Policy Owner	Board
Policy Type	Governance
Applicable	Apprenticeships Are Us Ltd and Aperus Investments Pty Ltd

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Apprenticeships Are Us, inspired by working with school leavers, youth at risk to provide apprentice employment opportunities in the automotive industry. Apprenticeships Are Us are driven to help the automotive industry address the ever-burgeoning skills shortage.

Although issues have been presented in the past, Apprenticeships Are Us is committed to proper and effective corporate governance. We will seek to maximise efficiency and effectiveness of our operations, while continuing to place our apprentices and the automotive industry at the centre of everything we do.

Each Apprenticeships Are Us Group, as a registered charity regulated by the Australian Charities and Not-for-profits Commission (**ACNC**), applies the ACNC Governance Standards.

The Apprenticeships Are Us Board has overall responsibility for the financial performance of the Apprenticeships Are Us and the achievement of its *Founding Purpose*. The Apprenticeships Are Us Board recognises its role in overseeing the determination and implementation of policies and processes that reflect good corporate governance aligned with the ACNC Governance Standards, our contractual commitments and stakeholder expectations that together with our Values inform and guide the organisation.

In applying the ACNC Governance Standards we are guided by where practicable and relevant to do so, the Corporate Governance Standards by ACNC and the Not-For-Profit Governance Principles by Australian Institute of Company Directors (AICD Principles).

Governance Standard 1—Purpose and not-for-profit nature of a registered entity

(AICD Principle 1: Purpose & Strategy)

Apprenticeships Are Us was established for the public charitable purpose of providing school leavers and youth at risk with apprentice employment opportunities in the automotive industry.

Unpacking our Founding Purpose is our charter of what it means for Apprenticeships Are Us to be a Group Training Organisation.

We seek out others that share our vision, working alongside them to create sustainable employment pathways for young people. Backed by our supporters, partners and funders, we work together for the long-term wellbeing of anyone who needs us.

We collaborate with the people we help to tackle the root causes of their challenges through providing access to support mechanisms to assist them to start their career or manage their apprentice with the assistance of trained industry professionals.

Every day we support young people at risk of long-term unemployment or displaced school leavers into employment as an automotive apprentice. We further assist employers in the automotive industry meet their legal and ethical obligations related to employing an apprentice.

Apprenticeships Are Us believes a person's circumstances shouldn't define their future and that given the right support, everyone can reach their full potential. That's why we stand together with young people in need, until they can stand for themselves as fully qualified tradespeople.

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Governance Standard 2—Accountability to members

(Respect the right of members and other stakeholders and make timely and balanced disclosure)

(AICD Principle 7: Transparency and Accountability)

Apprenticeships Are Us has members and other stakeholders. The Board is accountable to the members for the conduct of Apprenticeships Are Us's affairs and the pursuit of our *Founding Purpose* and objectives as set out in the Constitution. Apprenticeships Are Us is a joint member of Aperus Investments Pty Ltd.

Each year members of Apprenticeships Are Us will receive notice of the Annual General Meeting where the full financial report is presented to members together with an Annual Report and Directors are elected. The external auditor will attend the meeting and will be available to answer members' questions about the conduct of the audit, the status of internal controls and the preparation and content of the auditor's report. Outside of the Annual General Meeting members are able to raise matters of concern directly with the Chairman, the CEO, the CFO and Company Secretary. Our financial statements for the Apprenticeships Are Us are prepared in accordance with Australian Accounting Standards and lodged with and publicly available at the ACNC, and our Annual Report is available on our website.

Apprenticeships Are Us having many stakeholders, including our Host Employers, apprentices and their families, those we fund to provide services, benefactors, our staff and volunteers, the broader community, our suppliers and financiers and the government agencies that provide us with funds and regulate our operations. We will adopt a consultative approach in dealing with our stakeholders. We commit to be involved in not-for-profit forums, conduct research, receive feedback from forums and regular surveys, and ensure government at all levels is aware of our main concerns, achievements and remaining abreast of industry developments that affect us.

Apprenticeships Are Us has more 500 apprentices employed that are managed in accordance with the *National Standards for Group Training Organisations*. Apprentices Are Us compliance with the standards is independently audited as part of an accreditation process. In some cases, Apprenticeships Are Us must achieve accreditation to gain a Licence to operate the service of being a Group Training Organisation.

These standards require organisations to evidence good governance and a commitment to quality, including complaints management processes.

Apprenticeships Are Us maintaining a public website www.apprus.com.au and through this website and other communication channels we communicate to the public and our other stakeholders about various activities, performance and services of the Apprenticeships Are Us.

Governance Standard 3—Compliance with Australian laws

(Act ethically and responsibly)

(AICD Principle 9: Conduct and Compliance)

We recognise that as a registered entity under the Australian Charities and Not-for-profits Commission Act 2012 (**ACNC Act**) the Apprenticeships Are Us must comply with Australian laws. As a not-for-profit company limited by guarantee each Apprenticeships Are Us is registered under the Corporations Act 2001 which continues to apply but, in a form, modified by the ACNC Act. In accordance with the ACNC Act, the ACNC is the lead regulator and the ACNC Act is the main law

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applicable to us in relation to corporate governance. Apprenticeships Are Us holds tax endorsements and concessions and are therefore also subject to the Income Tax Assessment Act administered by the Australian Taxation Office.

Apprenticeships Are Us having access to and is supported by governance and management resources, and benefit from the Apprenticeships Are Us newly establish Board Audit and Risk Committee.

All Directors have been briefed about their duties as “responsible entities” under the ACNC Act. The Board strives to lead by example when it comes to acting ethically and responsibly and specifically charges Management with the responsibility for creating a culture which promotes ethical and responsible behaviour. The Apprenticeships Are Us Code of Conduct and our Values apply to the Boards, Management, staff, and volunteers of Apprenticeships Are Us. It specifies behavioural standards necessary to maintain confidence in Apprenticeships Are Us integrity and can be accessed at our website. Understanding the Code of Conduct and our Values is an integral part of induction programs for Directors and staff and are regularly reminded of the necessity to preserve these Values and expectations. All Board members, senior executives and staff are expected to comply with relevant laws and codes of conduct of relevant professional bodies, and to act with integrity, compassion and respect at all times when dealing with colleagues, clients and others involved in our mission.

The Apprenticeships Are Us has adopted the Apprenticeships Are Us policy and procedures suite including a *Code of Conduct*, *Whistle-blower Policy*, *Conflict of Interests Policy*, and a *Fraud Control and Corruption Prevention Policy*. Apprenticeships Are Us is committed to creating a ‘Speak Up & Speak Out’ culture where honesty, integrity and openness is encouraged, and legitimate concerns can be raised. Through these policies we seek to uphold our good reputation and aim to safeguard our staff and our clients, many of whom are vulnerable. They are designed to reinforce a ‘Speak Up & Speak Out’ culture in which honesty, integrity and business ethics are a part of everyday behaviour.

The Code of Conduct sets out ethical expectations for people who work for Apprenticeships Are Us Group as well as the ethical expectations for those working with us.

Support and protection for speaking up about wrongdoing is available to staff, volunteers, contractors, suppliers and clients. Commitment to protection is demonstrated through the *Whistle-blower Policy* and the appointment of Whistle-blower Protection Officer who is independent of the area subject to any inquiry. We are committed to protecting and respecting the rights of any person who reports improper conduct in good faith. The *Conflict of Interests Policy* requires anyone with a conflict of interest to declare it and step outside the decision-making process. Conflicts of interests and conduct are also specifically mentioned in the Apprenticeships Are Us Board Charter. Processes have been put in place for the Apprenticeships Are Us to manage related party transactions and third-party contestable transactions.

A *Fraud Control and Corruption Prevention Policy* addresses fraud and dishonesty prevention systems and procedures.

Pursuant to the *Modern Slavery Act 2018*, Apprenticeships Are Us is committed to conducting activities in a fair, honest and consistent manner, and aims for a proactive stance on modern slavery. We will be seeking to fully comply with the requirements of the *Modern Slavery Act 2018* and are committed to proactively identifying and addressing Modern Slavery issues in our operations and supply chain.

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Apprenticeships Are Us **Modern Slavery Statement 2020** outlines the actions we have taken to identify and mitigate modern slavery risks in our operations and supply chain over the 2019/20 period:

- *Our Short-Term Ambition* - Consistent with Apprenticeships Are Us values, including its strong public commitment to conducting activities in a fair, honest and consistent manner, we aim for a proactive stance on Modern Slavery. We are committed to proactively identifying and addressing Modern Slavery issues in its operations and supply chain and aims to undertake a phased approach to extend this commitment.
- *Our Long-Term Ambition* - In developing a consistent approach to risk identification and management throughout Apprenticeships Are Us value chain, our long-term ambition is to extend aspects of its Modern Slavery reforms to other parties, such as donors and recipients. Modern Slavery will form part of Apprenticeships Are Us broader enterprise risk management framework. Apprenticeships Are Us will look to leverage the opportunity from the Modern Slavery supply chain review and improvement activities to strengthen supply chain processes and controls in relation to enterprise risks.

Governance Standard 4—Suitability of responsible entities

(Structure the Board to add value, Remunerate fairly and responsibly)

(AICD Principle 2: Roles and Responsibilities)

(AICD Principle 3: Board Composition)

(AICD Principle 4: Board Effectiveness)

(AICD Principle 6: Performance)

Board composition

Apprenticeships Are Us will ensure each Board has an appropriate balance of skills, knowledge, experience, and diversity to enable them individually and collectively to exercise their judgment to discharge their duties and responsibilities effectively. We acknowledge that our directors are “responsible entities” under the ACNC Act and that they must not be persons disqualified from managing a corporation or disqualified by the ACNC from being a responsible entity.

The profile of each Apprenticeships Are Us Director will be made available on our website and included in future Annual Reports. Apprenticeships Are Us Constitution requires no less than 3 and no more than 8 Directors.

Members of the Board receive a letter of appointment detailing the terms and conditions of their appointment and complete an induction program when first appointed. Board and Committee members’ knowledge of Apprenticeships Are Us is maintained by regular visits to Apprenticeships Are Us offices and services, management presentations and through access to continuing education programs. The directors are invited to give feedback on their induction. The Board evaluates its own performance annually and will conduct at least every 3 years an external review which also includes the Aperus Investments Pty Ltd.

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Apprenticeships Are Us Board was conducted in 2016

Board Chairman

The Board Chairman's role is articulated in the Board Charter. The Chairman has primary responsibility for ensuring the integrity of Board processes. The role includes providing leadership, facilitating effective contribution of all Directors, and promoting constructive and respectful relationships between Directors and between the Board and Management.

Board Committees

The Board has delegated some of its functions to Board Committees, details of which will be made available on our website:

- Board Audit and Risk Committee

Independent Advice

The Board Charter enables the Board of Directors to seek independent professional advice at the expense of Apprenticeships Are Us with the agreement of the Chairman.

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Diversity

Maintaining a diverse and inclusive workplace is important to Apprenticeships Are Us. The principles of equal opportunity for women, and other groups in our community, are well aligned with our Values. Interview guides for potential new staff are designed to ensure all applicants are assessed on a level playing field, based on their competencies and not gender or background. Apprenticeships Are Us is recognised with *Workforce Gender Equality Agency*. Our workforce diversity enables us to better understand and service our clients. We provide an inclusive workplace without discrimination, and we recognise the diversity of individuals and communities in which we work as set out in our *Access and Equity Policy*.

Governance Standard 5—Duties of responsible entities

(Solid foundations for management and oversight, Recognise and manage risk, Safeguard integrity in financial reporting)

(AICD Principle 6: Performance)

(AICD Principle 8: Stakeholder Engagement)

(AICD Principle 1: Purpose & Strategy)

(AICD Principle 10: Culture)

Foundations for management and oversight

The role of the Board is to ensure Apprenticeships Are Us has in place a governance framework which ensures we are operating legally, ethically, and responsibly in fulfilling our *Founding Purpose* and objectives.

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The role of the Board is summarised in the Board Charter which will be made available at our website.

It includes:

- Defining and modelling organisational values that foster a culture in Apprenticeships Are Us consistent with our *Founding Purpose*.
- Providing strategic guidance for the Apprenticeships Are Us Group and effective oversight of management;
- Approving the strategy of Apprenticeships Are Us in alignment with its purpose and periodically monitor and review the performance of the organisation against strategic directions.
- Establishing the functions reserved to the Board and those delegated to the CEO.
- Appointing the CEO, approving succession plans, monitoring and evaluating the performance of the CEO and determining the goals and objectives for the setting of senior management remuneration policies and practices.
- Monitoring financial results and the effectiveness of the risk-management system and overseeing policies governing the Apprenticeships Are Us operations including those for social, environmental sustainability as well as ethics and transparency.
- Evaluating the Board's effectiveness and aspiring to better performance in corporate governance.
- Developing and maintaining a culture which promotes safety for the youth and industry we serve and our employees; and
- Overseeing the reward and recognition framework that aligns with the organisation's purpose.

The Board oversees and monitors management's performance by:

- Selecting, appointing, guiding and monitoring the performance of the CEO;
- Approving Apprenticeships Are Us annual budget and financial statements;
- Formulating Apprenticeships Are Us strategic plan together with the CEO and executive management;
- Meeting six times a year:
 - four meetings are held at Apprenticeships Are Us operational sites (including head office), to:
 - Monitor progress in achieving the strategic plan and performance against operating and capital budgets; and
 - Receive detailed financial and other reports and input from Management to verify Apprenticeships Are Us financial performance, viability, solvency and long and short-term sustainability;
 - two meetings a year are held by teleconference and as otherwise required to discuss current matters; and
 - Annually the Board meets to discuss Apprenticeships Are Us Group strategy;

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- Assigning responsibility to Board Committees to oversee particular aspects of Apprenticeships Are Us operations and administration in areas such as investment, finance, audit, risk, service evaluation and review, Board nominations and executive remuneration. Each Board Committee operates under approved charters that are reviewed and updated from time to time as required.
- Monitoring internal control, health and safety, risk management, feedback and complaints, compliance and quality control frameworks and management information systems as well as reviewing delegations, policies and procedures.
- Reporting to stakeholders on a regular basis, including providing financial reports.
- Overseeing Apprenticeships Are Us compliance with relevant legislation and regulations; and
- Advocating for Apprenticeships Are Us whenever and wherever appropriate.

The Board delegates responsibility for Apprenticeships Are Us day-to-day operations and administration to the CEO and executive management.

Safeguarding integrity in financial reporting

(AICD Principle 7: Transparency and Accountability)

A Board Audit and Risk Committee is established with at least two Directors and an Independent auditor who have accounting, risk, audit or related expertise. The other Board Directors, CEO, CFO and General Manager have a standing invitation to attend meetings but are not members of the Committee.

The Committee will have a formal Charter with responsibility to assist the Board to fulfil its corporate governance responsibilities for the Apprenticeships Are Us Group, particularly in relation to oversight of the:

- maintenance of an effective framework of risk management including compliance and internal controls.
- reliability and integrity of the financial statements and external financial communication.
- effectiveness of the external audit and internal assurance functions; and
- adequacy of Apprenticeships Are Us insurance coverage.

The Committee will include an annual agenda item for the selection and appointment of the external auditor and considers the rotation of external audit engagement partners.

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Recognising and managing risk

(AICD Principle 5: Risk Management)

Apprenticeships Are Us is committed to an organisational culture that enables us to achieve our strategic objectives through appropriate management of risk. We also understand that commitment from all levels of the organisation is required to demonstrate behaviours which are consistent with a risk-conscious culture. All staff have a role to play, and are made aware of that role, in achieving our strategic objectives.

The Board has a number of responsibilities specifically relating to risk, including:

- monitoring the effectiveness of Apprenticeships Are Us risk management systems, including compliance with regulatory requirements.
- satisfying itself through reporting and oversight that appropriate internal and external control mechanisms are in place and are being implemented.
- approving Apprenticeships Are Us financial statements and monitoring financial performance against approved budget; and
- providing oversight and monitoring of workplace health and safety issues in the Apprenticeships Are Us and considering appropriate WHS reports and information.

In fulfilling these responsibilities, the Board is assisted by the Board Audit and Risk Committee.

Apprenticeships Are Us has identified its key strategic risks. These include:

- Delivering on our strategic objectives.
- Securing ongoing funding for our work; Complying with regulatory, funding and contractual obligations.
- Minimising impact of damage to credibility and reputation.
- Retaining high-quality skilled staff.
- Ensuring the safety of our staff and volunteers; and
- Ensuring the Apprenticeships Are Us has the capacity to respond to social, economic and political change

In addition to the above, Apprenticeships Are Us will not tolerate risk that infringes on our duty of care to the people in our services. Apprenticeships Are Us has no willingness to accept risk relating to meeting service requirements that act to protect the people in our services.

We understand there will always be risk associated with the provision of recruitment services and that the Risk Management Framework of the organisation is tailored accordingly. This framework applies across the group. Risks are identified and owned by the managers of the business in which those risks reside. Those managers are responsible for ensuring their risks are appropriately managed, reported and escalated.

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Apprenticeships Are Us is dedicated to social responsibility in the very nature of its activities and is conscious of its environmental impact. Responding to the impact of climate change on Australians in need is one of our operating principles that guide how we deliver our strategy. Apprenticeships Are Us will promote social and environmental policies which minimise harm and promote wellbeing.

Governance Standard 6: Maintaining and Enhancing Public Trust and Confidence in the Australian Not-For-Profit Sector

(Ensuring that a registered charity's governance enables it to be accountable for its past conduct relating to institutional child sexual abuse)

(AICD Principle 1: Purpose & Strategy)

(AICD Principle 7: Transparency and Accountability)

(AICD Principle 9: Conduct and Compliance)

(AICD Principle 10: Culture)