



Córas Iompair Éireann

CIÉ Holding Company Anti-Corruption and Anti-Bribery Policy

Anti-Corruption Policy
6th April 2022



Table of Contents

1. INTRODUCTION.....	3
2. PURPOSE.....	3
3. POLICY STATEMENT	4
4. DEFINITION OF 'BRIBE' AND 'CORRUPTION'	4
5. SCOPE.....	5
5.1 Gifts	5
5.2 Disclosure of Interests.....	6
5.3 Financial Reporting	6
5.4 Supply Chain Activities.....	6
5.5 Payment to Third Party Landowners and Disposals of CIÉ Property.....	7
5.6 Lobbying.....	7
5.7 Donations, Sponsorships and Partnerships.....	7
6. RAISING A CONCERN (Excluding Protected Disclosures)	7
7. RESPONSE PLAN.....	8
8. COMMUNICATON	9
9. MONITORING	10
10. REVIEW.....	10
APPENDIX A – RELATED POLICIES.....	11

1. INTRODUCTION

At its meeting on 6th April 2022 the CIÉ Board gave its approval for a CIÉ Anti-Corruption and Anti-Bribery Policy.

The application of this policy is core to CIÉ's integrity and is one of a number of policies that have been put in place to help inform the ethical behaviour that CIÉ expects from its employees, Board Members, executives, contractors, suppliers and agents who do business on behalf of CIÉ. It should be read in conjunction with the policies set out in Appendix A.

CIÉ is committed to the highest possible standards of propriety, quality, honesty, openness and accountability and to dealing with all allegations of corruption or bribery reported. All instances of alleged corruption or bribery under this policy will be recorded and investigated. Any investigative activity required will be conducted without regard to any person's relationship with CIÉ, their position or length of service.

2. PURPOSE

The purpose of the policy is:

- (a) to set out CIÉ's position on bribery and corruption;
- (b) to provide guidance on recognising bribery and corruption in their various guises, including, but not limited to, disclosing gifts and hospitality in order to ensure transparency; and
- (c) to set out what is expected from those to whom the policy applies in relation to preventing and reporting acts of bribery or corruption.

This policy relates to the following statutory obligations:

- Worker Participation (State Enterprises) Acts 1977 and 1988 (Section 20 Disclosure of Interests);
- Ethics in Public Office Act 1995;
- Standards in Public Office Act 2001;
- Prevention of Corruption (Amendment) Act 2010;
- Criminal Justice Act 2011;
- Protected Disclosures Act 2014;
- Companies Act 2014;
- Regulation of Lobbying Act 2015; and
- Criminal Justice (Corruption Offences) Act 2018.

This policy also relates to:

- Section 2.1(viii) of the Guidance document for Audit and Risk Committees which falls under the Code of Practice for the Governance of State Bodies (2016).

3. POLICY STATEMENT

Bribery and other forms of corruption will not be tolerated within CIÉ. CIÉ actively promotes a culture where acts of bribery and corruption are never acceptable. This culture will be promoted and led by the CIÉ Board, Executive and extended senior leadership team. Nobody within CIÉ, or acting on behalf of CIÉ, may give or accept, directly or indirectly, a bribe or inducement in any form or solicit a bribe, directly or indirectly.

4. DEFINITION OF 'BRIBE' AND 'CORRUPTION'

A **"bribe"** consists of (whether directly or indirectly) an offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of money, gifts, loans, fees, rewards or other advantages (taxes, services, donations, favours etc.).

"Corruption" is an abuse of an entrusted power that involves acting dishonestly or improperly in return for money, personal gain, or anything of value.

Under Section 4 of the CIÉ Group Procurement Policies and Procedures, the standard Pre-Qualification Questionnaire template refers to *"corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union and Article 2(1) of Council Framework Decision 2003/568/JHA as well as corruption as defined in the law of Ireland or the law of the Member State of the European Union, other than Ireland, in which the Tenderer is established;"*

Examples of prohibited behaviour include:

- Offering, promising or giving any form of bribe;
- Agreeing to accept or accepting a bribe;
- Attempting to bribe "officials" (normally staff and appointees of a government);
- The failure by a company to put in place measures to prevent bribery;
- "Covering up" the type of conduct that constitutes or may constitute bribery;
- Use of company funds or assets for any illegal, improper or unethical purpose; and
- Facilitation payments – giving money or goods to government officials to perform, or speed up the performance of, an existing duty.

It should be noted that bribery and corruption involve the giving or receiving of anything of value and is not limited to cash. This could include providing business opportunities or favourable contracts.

Whether a particular action or payment violates this policy often depends on unique facts and circumstances. While it is impossible to anticipate all of the possible scenarios that may raise red flags or corruption concerns, below are a few common examples to look out for:

- Giving or receiving excessive gifts or hospitality that may be construed as compromising independence;
- Receipt of gifts or rewards in return for sharing confidential information outside the organisation;
- Requests for poorly documented or incomplete expenses;
- Accepting kickbacks for preferential treatment, for example in supplier selection or work allocation process;
- Insistence by an employee on dealing with a particular service provider/supplier/bank account him/herself, or insistence of a service provider/supplier on dealing only with a specific employee;
- A third-party request to be paid in cash for services that are typically paid by bank transfer or other non-cash means;
- A third-party request that payments be made to another party, to a third-country bank account, to a specific employee's personal bank account, or through other unusual financial arrangements;
- A third party provides incomplete or inaccurate information in required disclosures or due diligence questionnaire; and
- Minimal or incorrect details on purchase requisitions, purchase orders and/or invoices.

5. SCOPE

This policy applies to any bribe, act of corruption or suspected bribe or act of corruption, as previously defined, involving employees as well as consultants, suppliers, contractors, customers, members of the public and/or any other parties with a business relationship with CIÉ. It impacts on a range of activities and operations in CIÉ some of which are outlined in greater detail below.

5.1 Gifts

It is the policy of CIÉ to maintain its high reputation for ethical behaviour and fair dealing in the conduct of its business. CIÉ has a written Code of Conduct for Employees and also a written Code of Conduct for Board Members and Directors, which provide guidance on issues such as



accepting gifts and offers of hospitality or entertainment which might affect, or appear to affect, the ability of the donor or the recipient to make an independent judgment on business transactions.

Clubs or societies within CIÉ are prohibited from approaching suppliers or contractors to CIÉ for sponsorship.

5.2 Disclosure of Interests

In order to be fully transparent Board Members and employees should disclose any conflicts of interest as required by company law, Ethics in Public Office legislation, Worker Participation (State Enterprises) Acts 1977 and 1988, the CIÉ Code of Conduct for Employees and the CIÉ Code of Conduct for Board Members and Directors.

5.3 Financial Reporting

To ensure compliance with anti-bribery laws and this policy, all business transactions must be properly authorised and must be completely and accurately recorded in CIÉ's books, records and accounts. Accurate record keeping is important to ensure that CIÉ has adequate procedures in place to prevent corruption. These books and records must be maintained with sufficient detail to reflect transactions accurately and fairly, including recording a proper measure of value and the time period when the transaction occurred.

It is expressly forbidden to make false or misleading entries in order to hide improper transactions (e.g. kickbacks or payment) and/or make entries that are falsified to disguise bribes and/or fail to make entries for payments by or to CIÉ. The controls that are in place must be implemented so as to ensure internal control requirements are met, including detailed financial procedures, budgets, finance system automated workflows, external audit process, internal audit process and CIÉ Board Audit and Risk Committee oversight.

5.4 Supply Chain Activities

Competitive tendering should be the normal procedure in the procurement process. CIÉ must ensure that proper procurement procedures are implemented including compliance with EU Procurement Directives and national guidelines.

The CIÉ Group Procurement Policies and Procedures state that CIÉ's suppliers and business partners are required to comply with the Code of Conduct for Suppliers and must ensure that all of their employees who come in contact with CIÉ are made aware of, and comply with, the Code of Conduct.

5.5 Payment to Third Party Landowners and Disposals of CIÉ Property

- CIÉ has procedures (including approval procedures) in place relating to landowner compensation payments associated with wayleaves and licences and the entry by CIÉ onto private land. Payments to landowners relating to the entry onto and/or placing of CIÉ infrastructure onto such land should be made only in accordance with these procedures as required under Sections 5-9 of the CIÉ Group Procurement Policies and Procedures and Sections 8.16-8.24 of the Code of Practice for the Governance of State Bodies.
- The disposal of assets (including but not limited to land) which are surplus to CIÉ's requirements should be conducted only in accordance with all relevant CIÉ policies and approval procedures (including CIÉ's Consolidated Authority Levels) as required under Section 10 of the CIÉ Group Procurement Policies and Procedures and Section 8.22-8.23 and 8.34-8.43 of the Code of Practice for the Governance of State Bodies (subject to the adaptations to the Code of Practice set out in the draft letter to the Department of Transport, Tourism and Sport dated 12th December 2016).

5.6 Lobbying

Lobbying is an essential part of the democratic process but the process must be transparent. Therefore, CIÉ adheres to the Regulation of Lobbying Act 2015 and seeks confirmations from Board Members and senior management, three times a year, in respect of lobbying activities (on behalf of the CIÉ Group).

5.7 Donations, Sponsorships and Partnerships

All sponsorships, donations and partnerships require the approval of the CIÉ Chairman or CIÉ Chief Executive Officer.

6. RAISING A CONCERN (Excluding Protected Disclosures)

Employees of CIÉ should first raise their concern(s) with their immediate supervisor or manager who shall report the concern to the Designated Officer who is the CIÉ Head of Group Human Resources.

If for any reason this is not possible or appropriate, concerns should be reported to the Designated Officer who will in turn report the concerns to the Head of Department, Chief Financial Officer, Head of Group Internal Audit and CIÉ Chief Executive Officer.



If, for any reason, reporting to the Designated Officer is not possible or appropriate, concerns should be made directly to the Head of Group Internal Audit.

Where the concern relates to the CIÉ Chief Executive Officer, the concern should be reported to the CIÉ Board Chairman. Where the concern relates to the Chairman, or any Board Member, it should be reported to the Chairman of the CIÉ Board Audit and Risk Committee.

Board Members and Non CIÉ staff should report their concerns to the Head of Group Internal Audit or the CIÉ Chief Executive Officer which, in turn, should be reported to the Designated Officer.

If an employee or third party wishes to make a protected disclosure they should do so in accordance with the Protected Disclosures Policy (/Whistleblowing Policy).

7. RESPONSE PLAN

It should be noted that CIÉ has a clearly defined policy in respect of protected disclosures and this includes specific response actions in relation to allegations made under a protected disclosure. The response plan outlined below is in respect of allegations of corruption or bribery, or suspected corruption or bribery, that are **not** part of a protected disclosure. However, allegations of corruption or bribery, or suspected corruption or bribery, can also be made as protected disclosures.

CIÉ treats all such information received confidentially. Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found to be innocent of alleged wrongful conduct and to protect CIÉ from civil liability.

CIÉ undertakes to provide feedback to anyone making a report by way of an acknowledgement of the receipt of the report within two weeks. This acknowledgement will endeavour to provide as much information as possible, including how CIÉ intends to deal with the matter, but it must be appreciated that the necessity to maintain confidentiality and to be fair to all parties involved will remain a priority.

Upon receipt of a report of suspected corruption or bribery, the Designated Officer will ensure that the appropriate personnel are advised. This would include the CIÉ Chief Executive Officer and Head of Group Internal Audit. The precise form of the investigation will be dependent on the nature of the alleged activity.

Depending on the circumstances and findings resulting from the preliminary investigation, CIÉ management will respond in accordance with the following general principles:

- Notification of all relevant parties including CIÉ Group Internal Audit;
- Consultation with the CIÉ Group Solicitor if required;
- Appointment of a formal investigation team if warranted;
- Drafting terms of reference for the team if warranted;
- Planning and recording work completed;
- Review of outcome of investigation;
- Implementation of all steps required following the conclusion of the investigation in line with CIÉ internal policies; and
- Presentation of final report to appropriate parties.

CIÉ must be fully compliant with all legal requirements in this area and ensure that any cases of corruption or bribery or suspected corruption or bribery are reported to:

- CIÉ Group Internal Audit;
- The CIÉ Board Audit and Risk Committee;
- The CIÉ Board;
- An Garda Síochána (when appropriate from a legal perspective); and
- CIÉ Group External Auditors.

Any investigation, including any investigation of employees shall be conducted in full compliance with CIÉ's internal policies and procedures and employment law, the outcome of which will be reported to the CIÉ Board Audit and Risk Committee by the CIÉ Chief Executive Officer.

The CIÉ Board Audit and Risk Committee will, at an appropriate time, consider the results of the investigation and consider management's assessments as to whether there is a weakness in CIÉ's internal controls which needs to be addressed. The CIÉ Board Audit and Risk Committee, following consultation with the relevant personnel, will report on the outcome to the CIÉ Board.

8. COMMUNICATON

This policy will be made available to all CIÉ staff in the Organisational Handbook on the CIÉ Staff Intranet. In addition, this policy shall be circulated to all Board Members, management and employees who will be required to acknowledge receipt.

This policy will also be made available on the CIÉ website.

9. MONITORING

A report will be submitted by the CIÉ Chief Executive Officer to the CIÉ Board Audit and Risk Committee and such report will provide a summary of any ongoing investigations and of the conclusions reached on the completion of any investigations under this policy. This report should also include details of progress on the implementation of any findings and recommendations resulting from these investigations.

10. REVIEW

This policy will be reviewed at least every two years by the CIÉ Board Audit and Risk Committee and the CIÉ Board. In addition, amendments to the policy will be presented by the Designated Officer where appropriate.



APPENDIX A – RELATED POLICIES

The CIÉ Anti-Corruption and Anti-Bribery Policy should be read in conjunction with related policies, including but not limited to the following:

- CIÉ Code of Conduct for Employees;
- CIÉ Code of Conduct for Board Members and Directors;
- CIÉ Protected Disclosures Policy and Procedures;
- CIÉ Group Procurement Policies and Procedures;
- Code of Conduct for Suppliers;
- CIÉ Holding Company Business Expenses and Procedures Policy 2022; and
- Post Termination of Employment Guidelines.



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