

CODE OF CONDUCT FOR EMPLOYEES

At its meeting on 3rd July 2002 the CIÉ Board gave its approval for a Code of Conduct for Employees. It was amended by the CIÉ Board on 2nd November 2005, 3rd September 2008, 21st January 2009, 3rd March 2010, 30th June 2010, 6th October 2010 and 3rd October 2013, 10th December 2014, 1st July 2015, 5th April 2017, 13th February 2019 and 5th June 2019 and the amendments are incorporated below:

1. General Policy

It is the policy of the CIÉ Group to maintain its high reputation for ethical behaviour and fair dealing in the conduct of its business.

In many cases decisions as to what is ethical or fair are clear cut and will be obvious to any reasonable person. In some situations, however, there may be circumstances where an element of doubt or ambiguity arises. To help in those circumstances and to protect and guide individual employees of the CIÉ Group, it is necessary to have a written Code of Conduct and also to comply with the Code of Practice for the Governance of State Bodies.

It is not possible to provide for every situation in the Code of Conduct. If there is doubt about the probity of any particular situation, one's superior must be consulted about that situation by the individual concerned.

In addition to the requirement for each staff member to behave in an ethical manner, there is also a requirement for staff to comply with the requirements of the Companies Act 2014 (see attached Appendix) and other relevant legislative requirements and in the case of each person holding a designated position of employment within a state body, to comply with relevant provisions of the Ethics in Public Office Act, 1995 and the Standards in Public Office Act, 2001.

2. Objectives of the Code of Conduct

The objectives of the Code of Conduct are:

- (a) to offer guidance to CIÉ Group employees in their business conduct,
- (b) to establish an agreed set of ethical principles,
- (c) the promotion and maintenance of confidence and trust in the CIÉ Group; and
- (d) the development and acceptance of ethical practices by the CIÉ Group.

The Code of Conduct applies to all employees of the Group. Those who are engaged in the purchasing of goods or services, the placement of contracts or the approval of payments to or by the CIÉ Group must have particular regard to the terms of the Code.

3. Principles of the Code of Conduct

The guiding principles of the Code of Conduct can be summarised under seven headings:

- Integrity,
- Confidentiality of Information,
- Obligations,
- Disclosure of interests,
- Loyalty,
- Fairness and
- Consideration for Work/External Environment.

(a) Integrity

Each employee of the CIÉ Group is expected to observe the highest standards of honesty and integrity in all his/her business dealings.

To this end, as an employee, one must:

- commit to compete vigorously and energetically but also ethically and honestly,
- conduct the purchasing activities of goods/services in accordance with best business practice and in accordance with the Group's procurement policy,
- to the extent that employees have an input, ensure that the Group's accounts/reports accurately reflect its business performance and are not misleading or designed to be misleading,
- refuse bribes, gifts, hospitality, benefits or offers of preferential treatment which may affect one's ability to make independent judgment, and report any such approaches in writing to one's superior,
- avoid misrepresenting one's position by being ambiguous or misleading,
- reject any business practice which might reasonably be deemed to be improper,
- avoid the use of the Group's resources or time for personal gain, for the benefit of persons/organisations unconnected with the Group or its activities or for the benefit of competitors,
- commit not to acquire information or business secrets by improper means,
- not abuse travel facilities or other privileges and
- act in a manner which is appropriate to one's position in the organisation,

- not act in a manner which could bring the reputation of CIÉ into disrepute.

(b) Confidentiality of Information

Certain parts of the Group are now obliged to disclose information under the Freedom of Information Act, 1997. Any requests for information pursuant to this Act from third parties, (including the Department of Transport) must be referred to the relevant Freedom of Information Officer if they fall within the ambit of the Act. Otherwise they should be referred to the Group Secretary or the company secretary of any of the subsidiaries who will, in turn, pass the request to the Group Secretary. Employees should also be mindful of the Group's obligations under (EU) 2016/679 the General Data Protection Regulation (GDPR) and the Data Protection Acts 1988 to 2018 (the Acts) and any requests for or regarding information held by the Group which is subject to the provisions of these Acts should also be referred, in the first instance, to the Data Protection Officer.

Employees of the Group must, however, support the provision of access by the Group to general information relating to the Group's activities in a way that is open and that enhances its accountability to the general public. In an effort to put this into effect, the Group publishes information on its activities and performance on its web site which is regularly updated.

Every employee in the CIÉ Group owes a duty of confidentiality to the Group in respect of sensitive information held by the Group. Sensitive information would include, for example:

- any information relating to the CIÉ Group which is not public information,
- commercially sensitive/business information (including information relating to business policies or practices),
- any information relating to the CIÉ Group which is designated by it to be confidential,
- personal information and
- information received in confidence by the CIÉ Group.

Employees are required to ensure that any sensitive information which they obtain by reason of their employment is not miss-used, whether by suppliers, their competitors or competitors of the CIÉ Group. In order to protect such information employees are required to:

- ensure that such information is properly safeguarded,

- exercise due care in communicating such information,
- avoid using such information for personal gain and
- observe appropriate prior consultation procedures with third parties where, exceptionally, CIÉ is obliged by law or any regulatory authority, or otherwise, in the public interest, to disclose sensitive information

Employees are reminded that the Transport (Re-Organisation of Córas Iompair Éireann) Act, 1986, includes a specific duty not to disclose confidential information unless authorised by the Board or the relevant company or by some person authorised in that behalf by the Board or the company. Confidential Information is defined in the Act as that which is expressed to be confidential either as regards particular information or as regards information of a particular class or description. Breach of this statutory duty is an offence which attracts a fine on summary conviction.

(c) Obligations

In order to ensure through one's business dealings compliance by CIÉ with all applicable Government Guidelines, Irish and EU legislation, employees are required, to the extent that it is within their power and remit, to :

- fulfil all regulatory and supervisory obligations imposed on CIÉ,
- co-operate with relevant regulatory and supervisory bodies,
- avoid false, inaccurate or misleading entries in records,
- ensure that taxation and welfare legislation is upheld by the CIÉ Group,
- ensure that the Group CIÉ does not engage in "offensive" tax avoidance transactions (meaning transactions involving uses of the tax code for a purpose other than for which it is intended by the State (including an unintended use of a tax incentive) with a view to reducing the amount of tax to be paid by CIÉ or a party to a transaction in which CIÉ participates),
- ensure one's actions comply with relevant contractual obligations,
- encourage effective and fair competition at all times,
- comply with the Group purchasing and tendering procedures and with prescribed levels of authority for sanctioning any relevant expenditure,
- personally avoid engaging in any illegal or criminal activities (inside or outside working hours),
- comply with controls to prevent fraud including adequate controls to ensure compliance with prescribed procedures in relation to claiming expenses for business travel,
- comply with procedures relating to:

- (a) post resignation / retirement from employment and
- (b) appointment and/or consultancy of its CIÉ employees by the private sector, in order to avoid the acceptance of positions following employment which could give rise to the potential for conflicts of interest and to confidentiality concerns and
- comply with the CIÉ Group's policy on discrimination, harassment, sexual harassment and bullying.

(d) Disclosure of Interests

Management and employees are not allowed to be involved in outside employment/business interests in conflict or in potential conflict with the businesses of the CIÉ Group. Therefore it is important that all employees of the CIÉ Group disclose in writing to the Company/Group Secretary, through their superiors, details of any conflict of interest which might affect their impartiality in carrying out their duties as soon as they become apparent, including:

- any interest, shareholding or possible conflict of interest an employee has with any firm or organisation from which the CIÉ Group purchases supplies, works or services, or through whom the CIÉ Group proposes to sell property or services
- any outside employment or business interests in conflict or potentially in conflict with CIÉ's business
- any interest of an employee's immediate family which could result in such a conflict of interest

Where a conflict of interest situation could arise for an employee, he/she must desist from dealing with the contract or situation giving rise to the conflict or potential conflict of interest, and may not attempt in any way to influence decisions on the matter.

(e) Loyalty

Employees must:

- acknowledge the responsibility to be loyal to CIÉ and fully committed in all its business activities while mindful that the organisation itself must at all times take into account the interests of its shareholder and
- acknowledge the duty of all to conform to highest standards of business ethics.

(f) Fairness

Employees must:

- comply with employment equality and equal status legislation,

- commit to fairness in all business dealings,
- value their fellow employees and
- value customers and passengers and treat all customers and passengers equally.

(g) Consideration for Work/External Environment

Employees must:

- place highest priority on promoting and preserving their own health and safety as well as that of fellow employees, customers and other third parties with whom they come in contact in the course of their employment,
- ensure that community concerns are fully considered and
- minimise any detrimental impact of CIÉ Group operations on the environment.

4. Responsibility

This Code of Conduct which incorporates the policy on disclosure of interests ~~has been~~ is circulated to all management and employees who acknowledge receipt.

5. Review

This Code of Conduct will be reviewed at least every two years.

6. Guidelines regarding Gifts or Hospitality

It is customary for many suppliers to offer gifts, hospitality or entertainment to named employees with whom they have contact as a result of business dealings. However employees should, subject to the procedures outlined below, avoid the giving or receiving of corporate gifts, hospitality, preferential treatment or benefits which might affect or appear to affect the ability of the donor or the recipient to make an independent judgment on business transactions.

Gifts

The acceptance of cash or gift vouchers by employees is specifically prohibited. Employees may accept gifts from suppliers to or contractors who have worked for the CIÉ Group, provided:

- the gift is unsolicited,
- the gift is one of very small intrinsic value (e.g. diary, calendar, bottle of wine/spirits etc.),
- the overall value of such gifts accepted by an employee does not exceed €70 in total for the year and

- any gifts received must be disclosed in writing to that employee's immediate superior.

In all other cases, the gift should be returned to the sender, with a note advising that acceptance would be contrary to Group policy. Details of returned gifts must be notified at once to the recipient's superior in writing.

In addition to the above disclosure requirements, any employee involved in purchasing decisions are required to submit to that employee's immediate superior, on an annual basis, a list of all gifts received. In the event that no gifts have been received a "Nil" disclosure is required.

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

Hospitality

Invitations to lunches and dinners which are in the normal course of business are acceptable.

Modest hospitality (including sporting events and golf outings) may be accepted, provided:

- the prior written approval of the employee's immediate superior must be obtained in advance,
- the frequency and scale of hospitality is not more than CIÉ might be expected to give in return,
- the number of CIÉ staff availing of the hospitality is kept to a minimum and
- invitations do not include the provision of travel or overnight accommodation and availing of the hospitality does not identify the CIÉ Group in a public way with any particular supplier or contractor. Details of hospitality offered in this context that has been turned down must be notified at once to the recipient's supervisor in writing.

Note: Breaches of this Code of Conduct will be regarded as a breach of discipline and will be dealt with in accordance with the Group's disciplinary code by the Chief Executive of the company/entity in question. Any breach of this Code by the Chief Executive will be dealt with by the Chairman of that company/entity.

OFFENCES CONTAINED IN THE COMPANIES ACT 2014 THAT APPLY TO EMPLOYEES

In addition to the sections of the Act that relate to employees of the company in relation to the engagement of the statutory auditors, the Companies Act 2014 contains a number of other category 2 offences that are applicable to all CIÉ staff members under certain circumstances.

Section 406 – *'False statements in statutory financial statements, returns etc.'* This sets out that a person is guilty of a category 2 offence if they intentionally make a material false statement in any return, statement, financial statement or other document.

Section 789 – *'Offences in relation to entry and search of premises and provisions catering for certain contingencies concerning designated officers'*. This sets out that a person is guilty of a category 2 offence if they obstruct the exercise of a right to entry or search conferred by a search warrant.

Section 790 – *'Restriction on disclosure of information, books and documents obtained by the Director of Corporate Enforcement'*. This sets out the category 2 offence in relation to a person who publishes or discloses any information, book or document that has been obtained under any of section 778, 789, 783 or 787 of the 2014 Act unless under specified circumstances.

Section 793 – *'Offence of falsifying, concealing, destroying or otherwise disposing of documents or records'*. This sets out the category 2 offence whereby a person either causes or permits the falsification, concealment, destruction or disposal of a document or record that would be relevant to an investigation by the Director (ODCE).

Section 876 – *'Offence of providing false information'*. This sets out the category 2 offence in relation to a person who knowingly provides materially false information when answering a question, providing an explanation, making a statement or completing, signing, producing or delivering any return, report, certificate, balance sheet or other document. In certain circumstances the offence can be upgraded to a category 1 offence.

Section 877 – *'Offence of destruction, mutilation or falsification of book or document'*. This sets out the category 2 offence in relation to any officer who causes or is privy to the destruction, mutilation or falsification of any book or document affecting or relating to the property or affairs of the company; or is party to the making of a false entry in any such book or document.

Section 878 – ‘*Offence of fraudulently parting with, altering or making omissions on book or documents*’. This sets out the category 2 offence in relation to any officer who causes or is a party to fraudulent parting with, fraudulent altering, or fraudulent making of an omission in any book or document affecting or relating to the affairs of the company.