

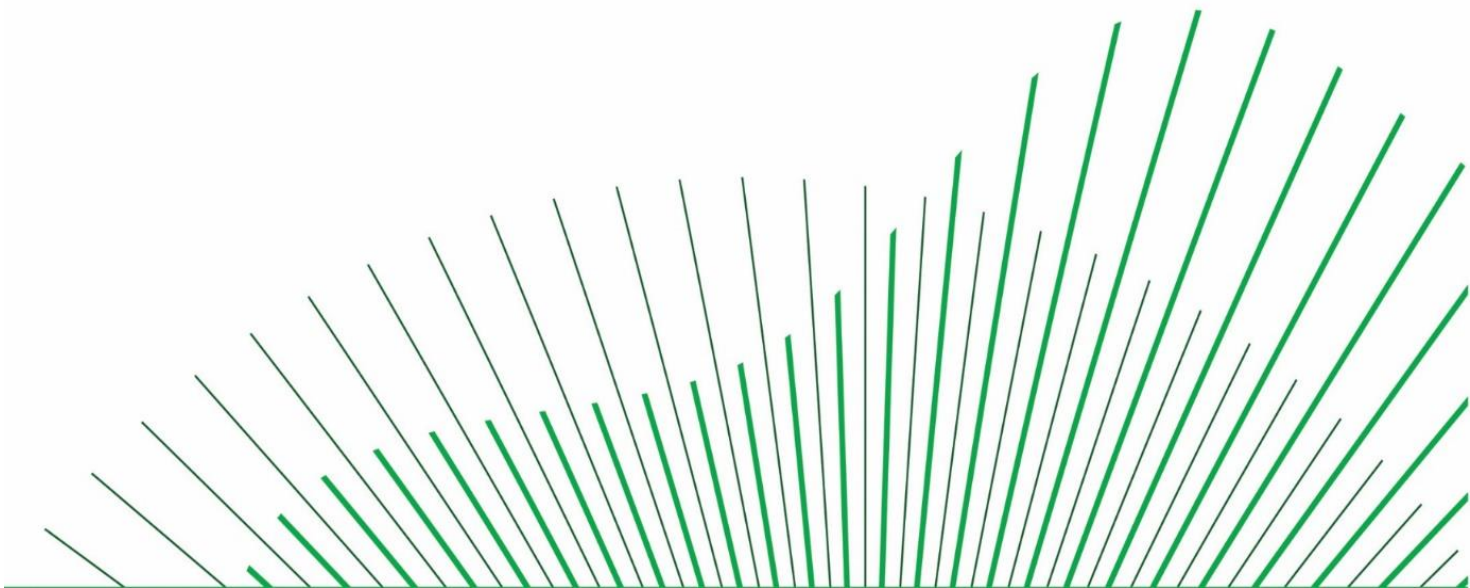
**Bord na Móna**

---

# Code of Conduct - Directors

---

Reviewed 21<sup>st</sup> September 2022



# Contents

---

1. Purpose	2
2. Code Scope	2
3. Responsibilities	2
4. Underlying Principles	3
4.1 Integrity	4
4.2 Loyalty	4
4.3 Information	4
4.4 Fairness	5
5. Obligations	5
6. Duties	6
6. Work/External Environment	6
7. Conflicts of Interest	7
8. Non-Compliance and Sanctions	9

# 1. Purpose

---

The purpose of this Code of Conduct is to set down the general principles and standards which govern the professional activities and conduct of company directors<sup>1</sup>, as defined in the Companies Act 2014, (“Directors”) of companies in the Bord na Móna Group (“Bord na Móna”).

This Code of Conduct is part of the appropriate arrangements and structures put in place that are, in Bord na Móna’s opinion, designed to secure material compliance with Bord na Móna’s “relevant obligations” under the Companies Act 2014 (the “Companies Act”). In addition, the Code ensures Bord na Móna’s compliance with the provisions of the *Code of Practice for the Governance of State Bodies*.

The objectives of this code are to:

- Establish a set of ethical principles for all Directors
- Promote and maintain confidence and trust in Bord na Móna, in all its business and in its Directors
- Prevent the development, continuance or acceptance of unethical practices
- Ensure that all of Bord na Móna's business is transacted with integrity

## 2. Code Scope

---

The provisions of this Code shall apply to the business of Bord na Móna plc and all of its subsidiaries. Directors are obliged to comply with policies and procedures, applicable statutory provisions, Directors’ obligations pursuant to the Companies Act, and any standards and Code of Practice adopted by Bord na Móna. This Code of Conduct is binding on all Directors.

It is not possible for a set of rules or guidelines to provide for all situations which may arise. Accordingly, the spirit as well as the letter of this Code of Conduct should be observed. It is primarily the responsibility of Directors to ensure that all of their activities, whether covered specifically or otherwise in this document, are governed by the ethical considerations implicit in these procedures.

## 3. Responsibilities

---

Role	Responsibilities
HR Responsibilities	<ul style="list-style-type: none"><li>• To ensure that the Code of Conduct and procedure is clearly communicated and understood.</li><li>• To ensure the quality and integrity of the overall Code of Conduct is maintained for all concerned.</li></ul>

---

<sup>1</sup> “director” includes any person occupying the position of director by whatever name called;

#### Director Responsibilities

- To ensure understanding, compliance and adherence to the Code of Conduct including an understanding of the consequences of breaching it.
- Take corrective action to address non-compliance to this Code of Conduct within their Board or Bord na Móna, where necessary.
- To contact the Company Secretary for any clarifications regarding this Code of Contact.

#### Head of Internal Audit Responsibilities

- To provide advice regarding the content of the Code of Conduct to ensure compliance with corporate governance requirements.

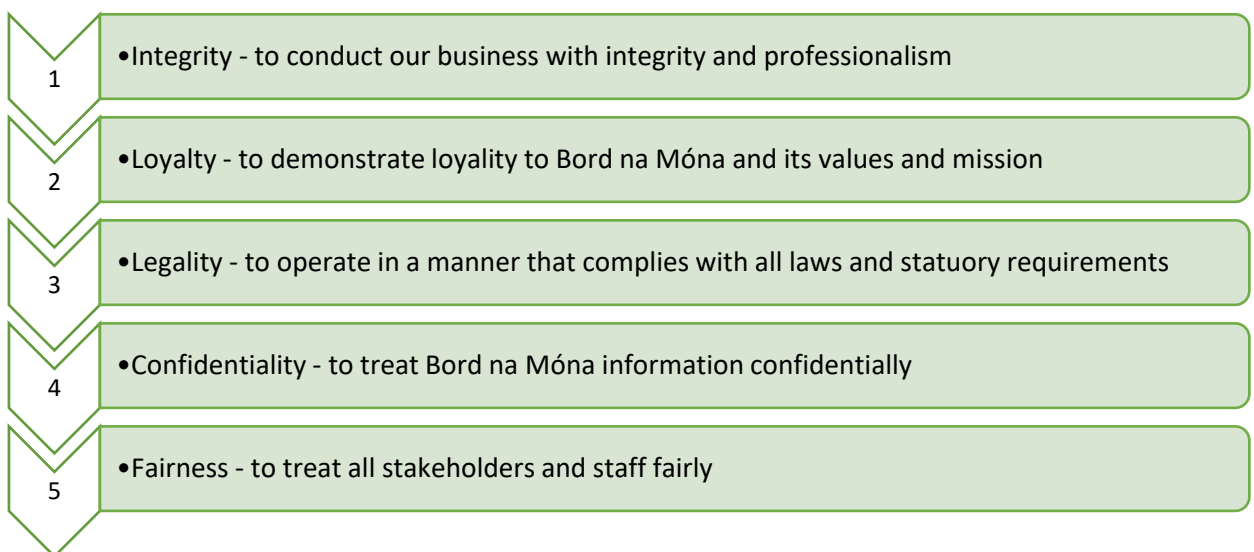
#### Company Secretary Responsibilities

- To provide advice and guidance on the implementation of this Code of Conduct.
- Responsible for this Code of Conduct and update of the Code for any future amendments.
- Annual review of the Code of Conduct to assess if any updates are required.

## 4. Underlying Principles

---

This Code is based on the following underlying principles:



## 4.1 Integrity

Bord na Móna is committed to honesty, integrity and transparency in all its dealings. Therefore, it is essential that all Directors conduct themselves, and are seen to conduct all activities, to the highest standard possible.

Directors should behave with integrity, this will require:

- Upholding the highest standards of corporate governance and compliance with all applicable laws and regulations.
- Non-disclosure of privileged or confidential information (this obligation does not cease when appointment to the Board has ended).
- Directors are required to disclose outside employment / business interests in conflict or in potential conflict with the business of Bord na Móna.
- Avoidance of giving or receiving corporate gifts, hospitality, preferential treatment or benefits, which might affect or appear to affect the ability of the donor or the recipient, to make independent judgement on business transactions. Commitment to conduct business ethically, honestly, impartially and with diligence.
- Strict compliance with all Bord na Móna policies and procedures and internal controls. Promoting efficiency, reducing risk of asset loss, and helping to ensure the accuracy of financial statements and compliance with law and regulations.
- Avoidance of the use of Bord na Móna resources or time for any personal gain, for the benefit of persons / organisations unconnected with Bord na Móna or its activities or for the benefit of competitors.
- Commitment not to acquire information or business secrets by improper means.

## 4.2. Loyalty

Directors are expected to be loyal to Bord na Móna and fully committed to all its business activities, while mindful that Bord na Móna must at all times take into account the interests of its shareholders. Directors are also expected to be loyal to the Bord na Móna values [and behaviours for success.

## 4.3 Information

Directors should take all reasonable steps to ensure that information is handled responsibly including:

- Respect the confidentiality of privileged and confidential information obtained by reason of appointment to the Board, both during the course of and following cessation of appointment. This would constitute material such as:
  - Commercially sensitive information (including, but not limited to, future plans or details of major organisational or other changes such as restructuring);
  - Personal information; and

- Information received in confidence by Bord na Móna.
- Ensuring business records are complete, accurate and appropriately authorised. Report accurately on financial and non-financial information in order to meet Bord na Móna's legal and regulatory obligations.
- Compliance with relevant statutory provisions (e.g. Data Protection, AIE Directive, Competition Law). Making sure to handle personal data with care.
- Compliance with Directors' duty of non-disclosure of confidential information under Section 32 of the Turf Development Act 1998.
- Promptly notify the Company Secretary of any unintended disclosure of confidential Bord Na Móna information.
- Being particularly careful when using the internet and email, regardless of the device, so as not to expose Bord na Móna's information systems to harm. Use IT systems for lawful purposes.
- Ensuring that all statements, publications and communications issued on behalf of Bord na Móna are accurate and truthful and are not misleading or designed to be misleading.

Directors should not retain documentation obtained during their term as a Board member and are responsible for the return of such documentation to the Company Secretary or otherwise indicate to the Company Secretary that all such documentation in their possession has been disposed of in an appropriate manner.

## 4.4 Fairness

Directors shall take all reasonable steps to ensure Bord na Móna's:

- Compliance with the Employment Equality Acts 1998 to 2015 and Bord na Móna's Equality, Diversity and Inclusion Policy and Procedure
- Commitment to fairness in all business dealings Respect the human rights of other individuals and treat everyone with courtesy and respect.
- Compliance with the Equal Status Acts 2000 to 2018 and Bord na Móna's Equal Opportunities and Dignity at Work Policy and ensuring that all customers and suppliers are treated equally. Avoid discrimination or unfairly judging anyone because of gender, marital/civil status, family status, age, disability, sexual orientation, race, religion, or membership of the traveller community.

## 5. Obligations

---

Bord na Móna acknowledges that all Directors have a duty to conform to the highest standards. Directors have an obligation to perform their duties honestly, ethically and efficiently, respecting the rights of their colleagues and other stakeholders. Directors shall have regard, in general, in the performance of their functions to the interests of the employees of the company of which they have been appointed a director (the "Company"), as well as the interests of its members. Directors must also adhere to Bord na Móna's no tolerance approach to racism, discrimination, bullying, victimisation of whistle-blowers etc.

Directors have an obligation to ensure:

- Bord na Móna fulfils all regulatory and statutory obligations imposed on it, including compliance with the Companies Act and the *Code of Practice for the Governance of State Bodies*.
- Bord na Móna's property and resources are respected and protected and should avoid using them for any improper purpose.
- Introduce and maintain internal controls to prevent fraud, including adequate controls to ensure compliance with prescribed procedures in relation to the claiming of expenses for business travel. Compliance with relevant provisions of the Ethics in Public Office Acts 1995 and the Standards of Public Office Act 2001 (together the "Ethics Acts").
- They endeavour to attend all board and relevant sub-committee meetings.

## 6. Duties

---

Directors have a general duty to familiarise themselves with the applicable provisions of the Companies Act and to ensure that they comply with their obligations therein.

Directors shall—

- (a) act in good faith in what the director considers to be the interests of Bord na Móna;
- (b) act honestly and responsibly in relation to the conduct of the affairs of Bord na Móna;
- (c) act in accordance with the relevant Bord na Móna company's constitution and exercise his or her powers only for the purposes allowed by law;
- (d) not use Bord na Móna's property, information or opportunities for his or her own or anyone else's benefit unless—
  - (i) this is expressly permitted by the relevant company constitution; or
  - (ii) the use has been approved by a resolution of the relevant company in general meeting;
- (e) not agree to restrict the director's power to exercise an independent judgment unless—
  - (i) this is expressly permitted by the relevant company constitution;
  - (ii) a director considers in good faith that it is in the interests of Bord na Móna for a transaction or engagement to be entered into and carried into effect; or
  - (iii) the director's agreeing to such has been approved by a resolution of the relevant company in general meeting;
- (f) exercise the care, skill and diligence which would be exercised in the same circumstances by a reasonable person having both—
  - (i) the knowledge and experience that may reasonably be expected of a person in the same position as the director; and
  - (ii) the knowledge and experience which the director has; and
- (g) in addition to the duty to have regard to the interests of Bord na Móna's employees in general, have regard to the interests of its members.

Directors must disclose to Bord na Móna:

- If they become an undischarged bankrupt or are subject to a disqualification order.
- If they cease to be resident in the EEA.
- The number of directorships held by them, which shall not exceed 25 at any particular time.

## 7. Work/External Environment

---

- Directors shall take all reasonable steps to ensure that:
  - The highest priority is placed on promoting and preserving the health and safety of employees.
  - Bord na Móna's procurement processes are fair and open.
  - Bord na Móna's obligations to local communities and at a national level are fully considered and any concerns raised are appropriately addressed with designated relevant persons.
  - Any detrimental impact of Bord na Móna's operations on the environment is minimized and it continues its commitment to restoration of natural habitats and sustainable energy security for Ireland.
  - Bord na Móna actively promotes a culture of speaking up, where concerns regarding serious wrongdoing can be raised, without fear of reprisal.

## 8. Conflicts of Interest

---

To ensure stakeholders continue to have trust and confidence in Bord na Móna the following procedures must be observed in relation to the disclosure of real or perceived conflicts of interest. These are in addition to the requirements under the Ethics Acts.

The duty of each director is to act at all times solely in the interests of Bord na Móna to the exclusion of all other considerations.

A conflict of interest exists in any situation where the personal or other interest of a director or a connected party might in any way affect the discharge by a director of his/her duties or his/her deliberations in a situation where a director or a connected party could benefit. It makes no difference that Bord na Móna does not suffer by the conflict of interest. A director or his/her relatives, friends or associates must not under any circumstances obtain any such benefit. A director must desist from dealing with the situation giving rise to the conflict of interest and may not in any way seek to influence decisions on the matter.

Conflicts of Interest among Directors are governed by the following:

- Section 20 of the Worker Participation (State Enterprises) Act 1977, which requires Board Members to disclose any interest in any arrangement to which Bord na Móna is party and not to vote on the matter;
- Section 31 of the Turf Development Act 1998;
- The Ethics Acts; and
- The Code of Practice for the Governance of State Bodies.

Detailed briefing on all of these obligations is provided to Directors on appointment.

On appointment to the Board and annually thereafter each Director will furnish to the Company Secretary details relating to his / her employment and all other business interests including shareholdings, professional relationships etc., which could involve a conflict of interest or could materially influence the Director in relation to the performance of his / her functions as a member of



the Board. Any interests of a Director's family of which he / she could reasonably be expected to be aware or of a person or body connected with the Director which could involve a conflict of interest or could materially influence the Director in the performance of his / her functions should also be disclosed. For this purpose, persons and bodies connected with a Director should include:

- a) a spouse, civil partner, cohabitee under the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010, parent, brother, sister, child or step-child;
- b) a body corporate with which the member is associated;
- c) a person acting as the trustee of any trust, the beneficiaries of which include the member or the persons at (a) above or the body corporate at (b) above; and
- d) a person acting as a partner of the member or of any person or body who, by virtue of (a) - (c) above, is connected with the member.

Each Director should furnish to the Company Secretary details of business interests of which they become aware of during the course of their directorship.

Where it is relevant in any matter which arises, the Director should be required to indicate to the Company Secretary the employment and any other business interests of all persons connected with their, as defined above.

The Board may exercise discretion regarding the disclosure by Directors of minor shareholdings. As a general guideline, shareholdings valued at more than €13,000 or of more than 5 per cent of the issued capital of a company should be disclosed.

If a Director has a doubt as to whether this Code requires the disclosure of an interest of their own or of a connected person, that Director should consult the Chairperson.

Details of the above interests shall be kept by the Company Secretary in a special confidential register and should be updated on an annual basis. Changes in the interim should be notified to the Company Secretary as soon as possible. Only the Chairperson, Company Secretary and Chief Executive shall have access to the register.

Should a matter relating to the interests of the Chairperson arise, they should depute another Board member to chair the Board meeting and should absent themselves when the Board is deliberating or deciding on a matter in which the Chairperson, or a person or body connected with the Chairperson, has an interest.

Board or Company documents on any case which relate to any dealings with the above interests should not be made available to the Director concerned prior to a decision being taken. (Such documents should be taken to include those relating to cases involving competitors to the above interests). Decisions once taken should be notified to the Director.

As it is recognised that the interests of a Director and persons connected with him / her can change at short notice, a Director should, in cases where they receive documents relating to their interests or of those connected with them, return the documents to the Company Secretary at the earliest opportunity.

A Director shall absent themselves when the Board is deliberating or deciding on matters in which they (other than in their capacity as a Director) or a person or body connected with them has an

interest and shall not vote on the matter. In such cases a separate record (to which the Director would not have access) should be maintained.

Where a question arises as to whether or not a case relates to the interests of a Director or a person or body connected with that member, the Chairperson of the Board should determine the question. Where a Director is in doubt as to whether he or she has an obligation under the Ethics Acts, he or she should seek advice from the Standards in Public Office Commission under section 25 of the Ethics in Public Office Acts 1995 and 2001.

## 9. Non-Compliance and Sanctions

---

Any non-compliance by a Director with this Code of Conduct should be referred to the Chairperson or Company Secretary, who will bring the matter before the Board at the earliest opportunity. The Board will decide what action, if any, should be taken and will consider whether the matter and any recommendations it may wish to make, should be referred to the Minister for Environment, Climate and Communications.

Failure by a Director to comply with his/her obligations under the Companies Act may result in proceedings for negligence, default, breach of duty and/or breach of trust against a Director.