



IRISH NATIONAL STUD

CODE OF CONDUCT

Irish National Stud Employees

1. Introduction

Semi- state companies such as the Irish National Stud are expected to operate according to very high standards of fairness, transparency, and honesty. The Irish National Stud has a record since 1946 of loyal and useful service to its clients and customers, a record that has been built on the personal integrity and trustworthiness of its employees.

Government requirements and legislative changes in recent years have made it necessary for the Irish National Stud to introduce Code of Conduct that apply to both the directors of the company and to all those who work for it.

The Ethics in public Office Act, 1995 imposes particular duties on people who work in the public and semi-state sector. The Act requires them to disclose certain business and financial information about themselves and their families if there is a danger that their personal interest might conflict with their duty as employees.

While this disclosure requirement applies to all employees, it is particularly relevant for those in management positions. Employees in these positions are required to make regular disclosure statement whereas most employees need only disclose interest if the Company Secretary ask them to do so or if their circumstance require it.

2. Application of the Code

The code applies to all employees of the Irish National Stud. It does not replace any obligations which currently exist but is designed to deal with particular issues, especially conflict of interest, which may have become more prominent in the business environment in recent years.

3. Conflict of interest

Every employee is expected to act solely in the interest of the Irish National Stud. A conflict of interest arises whenever the personal affairs of an employee or a connected party impinge on the affairs of the Irish National Stud in such a way that his or her actions or decisions are affected. Such conflict are most clearly seen when there is some advantage to be gained in a particular situation by doing or, indeed, failing to do something.

While conflict of interest can arise in many different circumstances, they tend to emerge most clearly in situations involving purchasing and contracts decisions.

An employee, in the course of work, may receive documents which deal with business matter that conflict with his or her or her personal interest. Where this

happens, the employee should pass the document to his or her supervisor explain the position. He or she should also make a report to the company Secretary or the Chief Executive.

Similarly, an employee should excuse himself or herself from any meetings where there is a discussion of issue, that conflicts with his or her own interests. That employee should, once again, report on the matter to the Company Secretary and notify his or her supervisor that he or she withdrew from the meeting in accordance with the Code of Conduct.

4. Disclosure of interests

Where an employee believes that he or she may be faced with a conflict of interest he or she must disclose the position to the Company Secretary or Chief Executive explaining how the conflict arises.

The Company Secretary or Chief Executive may request any employee to furnish details of personal financial interest and professional relationships if he or she believes that a conflict may arise for a particular employee.

On appointment to a designated position an employee will be required by the Company Secretary to submit details of his or her personal financial interests or professional relationships.

Any employee who is uncertain about any of the disclosure issues may seek advice and clarification from the Company Secretary or Chief Executive.

Interests disclosed in accordance with the section will be treated in confidence by the Company Secretary or Chief Executive who will maintain a register of the interests declared. This register will be revise annually. Only the Company Secretary, Chief Executive or a person authorised by them will have access to the register.

5. Gifts and Benefits

Employees must not obtain personal advantage from any person dealing with the company. Gifts or inducements of any type, the value of which could seem (to an impartial observer) that an attempt was being made to influence an employee, must not be accepted but tactfully returned.

If an employee is concerned in any way about the propriety of accepting a gift or feels that an inducement is being offered, he or she should consult the Company Secretary or Chief Executive.

Recent changes to section 38 of the Ethics in Public Office Act, 1995 mean that employees will be judged to have **corruptly** accepted a gift unless he or she can prove otherwise.

6. Confidentiality

In the course of their work, employees deal with confidential information. Such information should be treated as confidential at all times.

When an employee leaves the Irish National Stud, that employee is required to maintain sensitive respect for any confidential information he or she may have dealt with at the Company.

7. Honesty & Integrity

All employees are expected to carry out their duties to the highest standards of integrity and to refrain from any actions that might bring the Irish National Stud into disrepute.

The Company has a commitment to compete vigorously and energetically but also ethically and honestly in all its dealings. The employees are expected to support this commitment to the best of their abilities at all times.

Company time and resources should not be used for the benefit of people or organisations other than the Irish National stud.

All employees acknowledge their responsibility to be loyal to the Irish National Stud and fully committed in all its business activities while mindful that the company must at all times take into account the interests of its shareholders, clients and customers; and to conform to the highest standards of business ethics.

8. Compliance with the code of conduct

It is an employee's duty to observe the principles of this code and failure to comply with it will be a disciplinary matter.

9. Advice & Guidance

Any employee who wants guidance on any aspect of the Code should consult with the Company Secretary or Chief Executive.