



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Code of Ethics

For Staff of the Central Bank of Ireland

Effective Date: 1 June 2016

Policy Owner: Central Bank Commission

Review Frequency: Annual

Introduction by the Governor

Dear Colleagues,

At the Central Bank of Ireland, we are committed to fulfilling our statutory mandate and performing our roles and responsibilities in accordance with the highest ethical standards. The Bank's *Code of Ethics* sets out the ethical standards of conduct expected of all of us. It is our duty to be informed about the *Code of Ethics* and to uphold these standards of conduct at all times.

Clearly the *Code of Ethics* does not, nor can it, cover every situation we may encounter. Instead, the Code provides general principles that, with good judgment, we can apply in our day-to-day work. If we are ever in doubt about the correct course of action, the Code provides information on where we can get further guidance and advice.

On at least an annual basis, we will all be asked to formally refresh our awareness and understanding of our obligations under the Code. I would ask that you use this opportunity to familiarise yourself fully with the Code and the behaviours that underpin it.

The members of the Commission, the senior leadership team, and I remain fully committed to the Bank's principles of integrity, transparency, accountability, respect, and the primacy of the public interest, and to the standards within our Code that reflect that commitment. I trust you share that same commitment and will find the Code useful in guiding you in your important contribution to the work and mandate of the Central Bank.

Thank you

Governor of the Central Bank of Ireland

1. Introduction

The Central Bank of Ireland's ("Bank") Mission Statement of ***'Safeguarding Stability, Protecting Consumers'*** is at the heart of all that we do. We are committed to being an independent, forthright and influential organisation with a compelling, clear and challenging Vision of being; ***'Trusted by the Public, Respected by our Peers and a Fulfilling Workplace for our People'***.

The Bank's *Code of Ethics* (the "Code") defines the standards of ethical conduct we uphold. Adhering to these standards ensures that we deliver on our mandate in a manner that is consistent with our *Principles and Priority Behaviours*.

This Code and the various staff rules¹ referenced herein form part of the contract of employment between the Bank and its staff². They take account of the Eurosystem Ethics Guidelines³ and reflect the mutual duty of trust and confidence that subsists between the Bank and its staff. In accordance with the Bank's *Disciplinary Procedure*, a breach of this Code or the staff rules it references may lead to disciplinary action up to and including dismissal.

2. Standards of Ethical Conduct

The Code, while not aiming to cover every possible scenario, sets out six, key areas where standards of ethical conduct must be adhered to, namely:

- *Acting with integrity and prudence*
- *Treating others with dignity, respect and due care*
- *Avoiding conflicts of interest*
- *Protecting confidentiality and avoiding the misuse of information*
- *Representing the Bank appropriately*
- *Reporting wrongdoing*

All staff members are, on an on-going basis, required to take all reasonable steps to comply with this Code and the staff rules referenced herein. If you are, at any time, unsure about the interpretation

¹ The term 'rules', in the context of this Code, refers to all internal rules, policies, procedures and guidelines referenced in this document.

² The term 'staff', in the context of this Code, refers to all persons who are on the Central Bank's payroll, including those on unpaid leave.

³ *Guideline (EU) 2015/855 of the European Central Bank of 12 March 2015 laying down the principles of a Eurosystem Ethics Framework (ECB/2015/11)* and *Guideline (EU) 2015/856 of the European Central Bank of 12 March 2015 laying down the principles of an Ethics Framework for the Single Supervisory Mechanism (ECB/2015/12)*

of the standards and what is expected of you, you should consult your line manager or contact the Bank's Ethics Officer.

2.1 Act with integrity and prudence

The Bank performs its statutory duties in a manner that demonstrates its unwavering commitment to integrity, accountability and honesty. Each staff member has an individual responsibility to protect the Bank's good reputation. Each staff member is required to refrain from acting in a manner which he or she knows, or suspects, is illegal, improper or dishonest. Staff members are also required, in the conduct of their work, to take all reasonable steps to ensure that the Bank complies with its legal and regulatory obligations. All staff of the Bank should make every effort to manage their personal financial affairs in a prudent and responsible manner. Staff members experiencing significant levels of financial difficulty are encouraged to inform the Bank of this, via their line manager or Head of Division, so that they can be provided with the appropriate supports and advice.⁴

In recognition of the importance of public accountability, we actively facilitate openness and transparency regarding the way we work. Whilst protecting the right to privacy and actively avoiding the misuse of information, we enable members of the public to access information concerning the work that we do to the greatest extent possible and consistent with the public interest. In this regard, staff should be aware of the Bank's obligations under the *Freedom of Information Act 2014*, details of which are available on the dedicated Freedom of Information site on the staff intranet.

2.2 Treat others with dignity, respect and due care

The Bank is committed to maintaining a positive, progressive and fulfilling working environment where all staff are treated equally and respected for their individuality and diversity. The Bank does not tolerate any form of staff bullying, intimidation or harassment. Staff members are required to comply in full with the *Dignity at Work Policy and Charter*.

Issues or complaints with regard to dignity and respect may be raised through the guidelines set out in the *Grievance Procedure* or in a case of perceived bullying and/or harassment, by following the procedures set out in the *Dignity at Work Policy*.

⁴ An Employee Assistance Service is also available in the Bank to support and advise staff regarding work and personal matters. Full details are provided on the staff intranet.

Staff members' health and safety responsibilities are outlined in the Bank's *Corporate Safety Statement* as well as in the *Safety, Health and Welfare at Work Acts*. In summary, members of staff are expected to exercise reasonable care for their own safety and the safety of others and to report any perceived risk or danger to the relevant division responsible (e.g. Facilities Management or Engineering).

Further details of your obligations under the Code are provided in the following documents:

[Dignity at Work Policy and Charter](#)

[Grievance Procedure](#)

[Corporate Safety Statement](#)

2.3 Avoid conflicts of interest

The Bank aims to safeguard its impartiality at all times by actively avoiding conflicts of interest. A conflict of interest arises when personal, commercial or political associations or interests inappropriately affect our judgement or actions when performing our duties. Staff must never use or attempt to use their position in the Bank to obtain any improper benefit for themselves, their family, or others connected to them, and must always seek to avoid not only real, but also potential or perceived, conflicts.⁵

There are a very wide range of situations that could give rise to real or perceived conflicts of interest. In all such circumstances, members of staff have an obligation to act to avoid such conflicts and to notify their line manager or contact the Ethics Officer to obtain guidance on how to manage a potential conflict. In certain instances where a conflict of interest is identified, the Bank reserves the right to take appropriate measures, such as assigning alternative duties to a member of staff, in order to address the conflict.

Outlined below is a non-exhaustive list of the main types of situations in which conflicts may arise and the Bank's expectations of staff in such situations:

a. Receiving or being offered hospitality or gifts

Staff should not accept, seek or solicit hospitality or gifts from any person or organisation that: i) engages or is seeking to engage in business activities with the Bank; or ii) is regulated or is seeking to be regulated by the Bank. There may be some limited circumstances where a gift or hospitality

⁵ This obligation is additional to the statutory obligations regarding disclosure of interests imposed on staff members holding designated positions of employment by the Ethics in Public Office Acts 1995 and 2001

cannot be refused, for example, where it is given as part of a protocol and is of limited value. In such situations staff should: i) refer to the Bank's *Policy on Receipt of Business Hospitality and Gifts* in order to ensure that the receipt of the hospitality or gift does not create any real or perceived conflict of interest; and ii) comply with the rules contained in the *Policy on Receipt of Business Hospitality and Gifts* with regard to the reporting and handling of the hospitality or gift.

b. Commercial and private business affiliations

Staff should avoid being affiliated with any commercial or private business which may influence, or which could be seen to influence, the impartial discharge of a staff member's duties. Staff should avoid dealings with businesses with whom they have family or friendship relations, which could give rise to an actual or perceived conflict of interest. In such circumstances, at a minimum, the staff member should disclose such relationship to his or her line manager and should exclude themselves from relevant decision making processes.

A staff member wishing to undertake secondary employment (including occasional or part-time work and any self-employment) must receive prior written approval from the Bank. Staff must discuss their intention to take up secondary employment with their manager who will in turn confirm the outcome of the decision to the Human Resources Division. Without limiting the range of circumstances where a conflict of interest may arise regarding secondary employment, it is deemed to arise when the employment is undertaken during normal working hours, makes use of Bank equipment or resources, or where its demands compromise, in any way, the staff member's capacity to perform their duties. Secondary employment with an organisation that supplies the Bank with equipment, services or staff is also considered to represent a conflict of interest. A staff member may not engage in any activity (whether paid or unpaid) which is inconsistent with their employment with the Bank or which may confer an advantage on any external party by virtue of a staff member's role in the Bank.

c. Political affiliations

The Bank is an independent institution established under statute and staff should guard its apolitical position at all times. Staff should not engage in any activity, which may, by virtue of their employment in the Bank, call into question this apolitical status or which might result in the Bank's name being brought into any political or public controversy.

d. Procurement

Staff involved in procuring goods and services on behalf of the Bank should be aware of the Bank's obligations under European and national procurement legislation when engaging with potential suppliers. Staff members are prohibited from engaging in any behaviour which could give rise to conflicts of interest that may have an impact on the integrity of the competitive tender process and are obliged to comply with the rules set out in the Bank's *Corporate Procurement Policy*. Non-adherence to the rules set out in the Bank's *Corporate Procurement Policy* could expose the Bank to risk of legal or financial sanction or litigation and compromise the Bank's reputation.

e. Inside information and private financial transactions

Inside information refers to market sensitive information⁶ which may confer unfair insights into the performance of financial markets and instruments and which has not been made available to the public or is not accessible to the public. Such information may pertain to any of the tasks of the Bank, including but not limited to, the performance of Eurosystem tasks or supervisory tasks. Bank staff may have, or may be perceived to have, access to such inside information. To avoid conflicts of interest in this regard, restrictions are in place for certain private financial transactions, the scope of which is defined in the Bank's *Staff Trading Rules*.

Staff members are required to abstain from being party to any transaction that may hinder their independence and should be aware that using insider information for personal gain could be deemed a criminal offence. The Bank's *Staff Trading Rules* specify the restrictions and prohibitions on private financial transactions. All staff members are required to disclose their holdings of financial instruments and always seek prior approval when engaging in any personal trading in financial instruments which fall within the scope of the *Staff Trading Rules*.

f. Post-employment conflicts of interest

Members of staff who are intending to leave the Bank to take up alternative employment, self-employment or business are required to provide early notification to line management and the Human Resources Division when a conflict of interest arises, or might be perceived to exist, between those duties held in the Bank and those to be undertaken within the new employment arrangement. In such circumstances, the Bank may assign alternative tasks to the individual while their notice period is being served. The notice period may be lengthened in excess of the contractual or statutory

⁶ 'Market sensitive information' means information of a precise nature the publication of which is likely to have a significant effect on the prices of assets or prices in the financial markets.

notice period (by mutual agreement only) where it is felt this is in the best interests of the Bank and the staff member to create a suitable 'cooling off' period.

g. Pre-employment conflicts of interest

Staff will already have been made aware at the pre-employment stage that all offers of employment by the Bank to prospective staff members incorporate pre-conditions to avoid pre-employment conflicts of interest. The pre-conditions require candidates to disclose any actual or potential conflict of interest arising from previous occupational activities or personal relationships so that the Bank can assess whether the conflict is compatible with the role and/or how the conflict may be addressed. Where the Bank has determined that it may be possible to address the conflict, the candidate and the Bank will agree appropriate mitigation measures and the candidate will, if he or she intends to accept the offer of employment, be required to take such actions as are necessary to implement such measures.

Further details of your obligations under the Code are provided in the following documents:

[Policy on Receipt of Business Hospitality and Gifts](#)

[Corporate Procurement Policy](#)

[Staff Trading Rules](#)

2.4 Protect confidential information

All staff members have a duty of confidentiality regarding the work they do and the information they handle and retain. This duty of confidentiality seeks to prevent the misuse of confidential information in all its forms and to protect the personal data held by the Bank. In general terms, *misuse* entails deliberately exploiting confidential Bank information for a staff member or a staff member's associate's personal use, or advising others, based on such information.

Staff members' obligations with regard to privacy and confidentiality of information are governed by various regulations⁷. Staff members are required to ensure that all confidential information pertaining to the Bank, its functions and operations is treated with absolute confidentiality and to ensure that access to this information is restricted to those staff members who need it for the performance of their duties. To prevent accidental disclosure, members of staff are always expected to keep and transfer confidential documents in a safe manner and not to discuss confidential matters in places where they may be overheard. The requirement to preserve the confidentiality of

⁷ Such regulations include the Data Protection Acts and Section 33AK of the Central Bank Act 1942 (as amended from time to time).

the Bank's and other non-public information continues indefinitely after a staff member's employment with the Bank ends. Staff must return to the Bank, on termination of their employment or role, any property of the Bank which they may have in their control or possession.

Protecting confidential information means protecting the integrity and availability of information and the underlying processes, facilities and IT systems used to manage that information. Staff must ensure that they comply with the relevant information security policies to ensure that access to information is restricted to those who need it for the performance of their duties. Any information that may be considered confidential or commercially sensitive, including information (commercial or personal) about other staff members, the Bank itself, contractors or third parties associated with the Bank or any information that could be used to gain unauthorised access to the Bank's information or premises, should not be shared under any circumstances.

Where you have any queries or concerns of an information security nature, these should be referred to the Information Security Officer. If you are in any doubt about whether you can share information, ask your line manager.

Further details of your obligations under the Code are provided in the following documents:

[Data Protection Policy](#)

[Data Protection Procedures and Guidelines](#)

[Central Bank Act 1942, Section 33AK](#)

[Clear Desk and Clear Screen Policy](#)

[Password Policy](#)

[Portable Device Security Policy](#)

2.5 Represent the Bank appropriately

All staff should be aware that the reputation of the Bank can be affected by the conduct of its staff. Courtesy, consideration and professionalism is expected from all staff.

Personal views expressed by staff on social media or any other public forum should not be linked to the Bank. Staff should only engage in public debate (e.g. letter writing to newspapers, contributions to TV or radio programmes, etc.) in a personal capacity and in such a manner that does not purport to represent the views of the Bank.

Media related queries received in the course of staff members' work should be immediately referred to the Press Office and requests for information received from members of the public should be referred to the Public Contacts Unit.

Further details of your obligations under the Code are provided in the following documents:

[Social Networking and Media Policy](#)

[Internal Media Guidelines](#)

[Speaking Engagements Policy](#)

[Public Contacts Unit - Protocol for Responses from other Divisions](#)

2.6 Report wrongdoing

The Bank is committed to encouraging and protecting staff members who raise concerns about breaches of this Code or the staff rules and policies it references. All staff members have an obligation to report concerns of suspected or confirmed wrongdoing; whether these have already occurred, continue to occur, or may occur in the future. The *Confidential Disclosures Policy*⁸ outlines a safe and confidential process for members of staff to raise concerns.

Further details of your obligations under the Code are provided in the following documents:

[Confidential Disclosure Policy](#)

[Fraud Management Policy and Procedure](#)

3. Know your responsibilities under the Code

3.1 General responsibilities

The Code is binding on all staff, including when on unpaid leave or on secondment, and may be reviewed, amended or added to from time to time at the discretion of the Bank. In order to ensure on-going adherence to the Code, every member of staff is required to confirm on an annual basis that they are familiar with the contents of the Code, that they understand their obligations under the Code and that they comply with them. Staff should be aware that this compliance obligation extends to all staff rules referenced in the Code. In the case of any doubt, staff members are expected to proactively seek advice on the interpretation of the rules from their line manager or the Ethics Officer and to make a full disclosure in the event that they have concerns regarding any aspect of their obligations under the Code.

Any actual or suspected instances of non-compliance with the Code will be handled between relevant management and the Human Resources Division, in line with the Bank's disciplinary

⁸ The Central Bank's *Confidential Disclosures Policy* implements the *Protected Disclosures Act 2014*.

procedures. Such instances may include any failure by a staff member to comply with the terms or conditions of his or her employment or with any staff rules referenced within this Code. Staff should be aware that the Bank is required to report breaches of this Code of a certain severity⁹ to the ECB and/or to the appropriate authorities.

Further details of your obligations under the Code are provided in the following documents:

[Disciplinary Procedure](#)

[Probation Policy](#)

3.2 Specific roles and responsibilities

a. Central Bank Commission

Ownership of the Code of Ethics rests with the **Central Bank Commission**¹⁰. In this context, the Commission assumes responsibility for:

- i. Reviewing and approving the Code, including any proposed amendments or additions, on an annual basis; thereby, determining the corporate and ethics culture within the Bank;
- ii. Considering an annual report, prepared by the Compliance Function and the Ethics Officer, which details the status of compliance with the Code in the previous year.

b. Senior and Divisional Management:

Senior and Divisional Management have the same responsibilities as all other staff in terms of compliance with the Code. In addition, they are responsible for:

- i. Applying the Code within their area of responsibility and foster compliance by leading by example;
- ii. Contributing to the communication of the Code and to raising awareness at local level; and
- iii. Liaising with the Human Resources Division and the Ethics Officer, as appropriate, in the event of actual or suspected breaches of the Code by a member of their staff. The Human Resources Division will assist in addressing such matters where necessary.

⁹ The Bank is required to report any *major incident* related to non-compliance with this Code and the staff rules reference herein via the Eurosystem Organisational Development Committee to the Governing Council. A major incident is defined as *Impact Level 4: very severe* in the Central Bank's *Operational Risk Incident Management Policy*.

¹⁰ The Commission delegates responsibility for the promotion and maintenance of the Code, as well as responsibility for monitoring and reporting on compliance with its contents to the Compliance Function in the Organisational Risk Division (ORD).

Divisional Management is also required to liaise with the Ethics Officer in agreeing how offers of business hospitality and gifts should be handled and to ensure that a **register** is maintained to record all business hospitality and gifts accepted in their division.

c. Compliance Function

The **Compliance Function** assumes primary responsibility for:

- i. Monitoring the continued development of the Code vis-à-vis legislation and best practice on an annual basis;
- ii. Raising awareness and educating staff;
- iii. Steering or contributing to the drafting of local rules;
- iv. Ensuring that all staff are reminded on an annual basis of their obligation to be compliant with the Code and for implementing a process to enable staff to confirm their understanding of the requirement to comply with it;
- v. Conducting, as required, checks on compliance with the Code;
- vi. Reporting to the Commission on an annual basis: (a) non-specific information on instances of non-compliance with the Code; and (b) changes that have been made or planned changes to the Code;
- vii. Providing advice and guidance on the interpretation and application of the Code and associated rules (with the support of the Ethics Officer); and
- viii. Ensuring that an up-to-date Code is available for staff on the intranet and to the public on the organisation's website.

d. Ethics Officer

The Bank employs an **Ethics Officer** to provide specialist advice in respect of ethical issues to the Bank and its staff. The Ethics Officer is available to staff members to:

- i. Provide guidance and answer any queries in relation to the Code;
- ii. Assist in defining measures to ensure compliance with the Code and, where breaches of the Code have been made known to them, provide information to the Human Resources Division and relevant management; and
- iii. Obtain legal advice (from the Bank's Legal Division), as required, in order to ensure that all matters being dealt with fully comply with the law.

Staff may contact the Ethics Officer, Mary Sheehy

The Ethics Officer will, insofar as is possible, maintain the confidentiality of individuals. In the event that the identity of a staff member needs to be revealed, it will be discussed with the person in advance.

e. Human Resources Division

The ***Human Resources Division*** are responsible for:

- i. Liaising with management and the Ethics Officer in relation to breaches of the Code;
- ii. Executing the Central Bank's *Disciplinary Procedure* as appropriate; and
- iii. Supporting divisional management in respect of the management of breaches of the Code.

-ENDS-