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Abridged version for OECD Submission

National Roads Authority

operating under the name

Transport Infrastructure Ireland

[Registered Name of Company]

Schedule 2

Governance and Delivery Schedule

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PART 1 - Governance, Risk and Compliance

1. General

- 1.1 The Authority and the Operator shall at all times work together in a spirit of collaboration based on a common desire to see the Services operated effectively and efficiently.
- 1.2 The Authority and the Operator shall develop a code of conduct (the “**Relationship Charter**”) which shall set out the relationship values that are to be observed by all parties, in the performance of their respective obligations under this Agreement, based on the principles referred to in paragraph 1.1 above.
- 1.3 Without prejudice to the specific rights and obligations of the parties in respect of governance set out in this Schedule:
- (a) The parties shall operate within a governance framework which shall ensure that the following requirements are satisfied:
 - (i) foster and facilitate effective planning and decision making between the parties;
 - (ii) maintain and improve the security, effectiveness and efficiency of the Services;
 - (iii) complete, correct and effective monitoring and evaluation of performance with respect to all aspects of the Services;
 - (iv) demonstrate the effectiveness of the Operator’s internal controls; and
 - (v) all relevant risks to the operation of the Services shall be identified, assessed and monitored and suitable measures shall be implemented to protect the Services and the Authority from such risks.
 - (b) The governance framework shall form a key part of the operation and shall seek to ensure that the business is operated in a way which is commercially focussed, financially efficient and maintains a positive Customer experience.

2. Representatives and Key Roles

- 2.1 The delivery of the Services under this Agreement will be managed at the day-to-day level through the Key Roles.
- 2.2 Contractual matters arising through the Term shall be dealt with by the Authority’s Representative and the Operator’s Representative.
- 2.3 Details of the Authority’s Representative and the Operator’s Representative are set out in Annex 1 to this Schedule.
- 2.4 Without prejudice to any other provisions of this Agreement regarding key personnel / Key Roles:
- (a) the Operator shall ensure that appropriate resources are made available on a regular basis such that the aims, objectives and specific provisions of this Agreement can be fully realised. This should include (but not be limited to) the key roles as set out in Annex 2 to this Schedule (the “**Key Roles**”);
 - (b) in the event that either party wishes to replace its Representative, that party shall notify

the other in writing of the proposed change for approval by the other party (such approval not to be unreasonably withheld or delayed). Notwithstanding the foregoing it is intended that each Representative will have relevant seniority and expertise; and

- (c) the parties shall ensure that the Representatives shall, as soon as reasonably practicable, resolve the issues and achieve the objectives placed before them. Each party shall endeavour to ensure that its Representative is duly authorised to make relevant decisions or have access to duly authorised persons for such purposes.

3. Meetings

3.1 The Operator and the Authority shall conduct the meetings as set out in the following Table 1:

Table 1: Meetings

#	Meeting	Description	Frequency
1	Mobilisation and transition meetings	As set out in the Mobilisation and Transition Schedule.	Every two (2) weeks
2	Tolling Operation Steering Group (Project Board)	As set out in Part 1, Section 4 of this Schedule.	Quarterly
3	Governance, risk and compliance review	General review of governance, risk and compliance matters including, for example, contract management, data protection and health and safety, as provided for in this Schedule.	Monthly
4	Operational performance review	Review of operational performance and reports as described in Appendix B of the Services Schedule.	Monthly
5	Financial performance review	Review of financial performance and reports as described in Appendix B of the Services Schedule.	Monthly
6	Toll compliance and Enforcement review	Review of toll compliance, Enforcement and reports as described in Appendix B of the Services Schedule.	Monthly
7	Change management	Review the status and progress of Changes	Quarterly

#	Meeting	Description	Frequency
	review	implemented under this Agreement; and discussion of any pending Changes.	
8	Operational planning and continuous improvement	Planning of initiatives for the management and enhancement of the Services.	Quarterly

9	Customer management review	Review of management of Customer base as set out in the Services Schedule.	Every six (6) months
10	System review	Review of System performance and the Services in accordance with the KPIs.	Every six (6) months
11	Public information and communications review	Review of the status and progress of public information and communications initiatives and services, as set out in the Services Schedule.	Every six (6) months
12	Risk management and compliance review	Review of the risk register; and performance in relation to the compliance matters set out in Part 1, Sections 5 and 6 of this Schedule.	Every six (6) months
13	Audit review	Review of performance in relation to audits completed as part of the Operator's audit plan and audit planning for the following twelve (12) months.	Annually
14	Review of Delivery Plans and Authority Policies and Business Rules	Review of proposed changes to Delivery Plans and Authority Policies and Business Rules.	Annually

15	Exit management	Review of the Exit Management Plan.	Annually or at such other intervals as may be provided for in the Exit Management Schedule.
16	Annual Performance review	Overall review of operational and financial performance, including budget and communication matters.	Annually

- 3.2 The schedule of meetings, including the subject matter of the meetings and their frequency, may be changed by agreement of both parties.
- 3.3 The Operator shall prepare and circulate, at least five (5) Business Days prior to the meeting, an agenda for each meeting and include any supporting information, including relevant reports, as an attachment to the agenda.
- 3.4 The Operator shall produce a record of actions, decisions and recommendations arising from each meeting within three (3) Business Days following the meeting.
- 3.5 The meetings shall be attended by the relevant manager specified in Annex 2 (Key Roles) to this Schedule and such other Operator Staff who have responsibilities relevant to the subject matter of the meeting. The Authority's Representative shall ensure that appropriate representatives from the Authority shall attend the meetings. The parties shall ensure their representatives have appropriate decision-making authority with respect to the matters under discussion at the meetings. The meetings shall be held at the Authority's premises or such other location as notified by the Authority to the Operator from time to time.

4. Tolling Operation Steering Group

- 4.1 A Tolling Operation Steering Group (the "**Steering Group**") shall be established by the Operator and the Authority under this Agreement. Both the Authority and the Operator shall be represented on the Steering Group.
- 4.2 The Steering Group shall:
- (a) be responsible for the comprehensive oversight of the Services, for the promotion of a good relationship between the parties and shall liaise with, inform and make recommendations in respect of contractual matters and significant issues affecting the Services which require decision and resolution;
 - (b) discuss and propose changes to processes, procedures and policies to ensure the efficient operation of the Services;
 - (c) seek to ensure that this Agreement is operated throughout the Term in a manner which optimises the value for money and commercial benefits derived by the Authority and the Operator;
 - (d) review the extent to which this Agreement and the Services are aligned to the Authority's business, information and Customer strategies and make recommendations for changes to maintain an appropriate alignment;

- (e) assess the overall performance of the Services by the Operator and the satisfaction of the Customer base; consider significant changes to the Services and the risks associated with such changes (subject to the provisions of the Change Control Schedule); and
 - (f) deal with any similar or analogous service matters as deemed by the Authority Representative to be within the scope of the Steering Group.
- 4.3 Both parties will ensure that appropriate resources are made available on a regular basis such that the aims, objectives and provisions set out in this Agreement can be fully realised.
- 4.4 The Operator shall be responsible for providing administrative/secretarial support for meetings, which may, where required, include preparing a draft record of actions, decisions and recommendations made for each meeting and the circulation of the draft record to all Steering Group meeting participants within seven (7) Business Days of the Steering Group meeting.
- 4.5 The Steering Group and meeting structures may change, subject to the agreement of both parties, to reflect the evolving requirements of this Agreement. Notwithstanding the formal meeting arrangements within this Agreement, partnering relationships will be established at an operational level with suitable formal and collaborative meetings taking place to ensure:
 - (a) effective operational communication between the parties;
 - (b) identification and resolution of day-to-day business issues;
 - (c) the tasking of immediate and/or exceptional issues leading to a swift resolution;
 - (d) effective management of Customers and Stakeholders, and
 - (e) the resolution of any similar or analogous matters deemed by the Authority to be appropriately managed at an operational day-to-day level.
- 4.6 This Steering Group and meeting structure shall be established from the Commencement Date until the expiry or earlier termination of this Agreement.
- 5. **Risk Management**
- 5.1 The Operator shall develop, agree with the Authority and implement a structured, consistent, and continuous process for identifying, documenting, tracking, assessing, deciding on responses to, and reporting on risks to the provision of the Services. As part of this process, the Operator shall establish and maintain a risk register.
- 5.2 The risks contained in the risk register shall be suitably categorised, weighted and prioritised according to severity, probability and impact. Each risk shall include a narrative description of the risk, details of who owns the risk and proposals for risk mitigation. The categories of risk shall include but not be limited to:
 - (a) revenue risk;
 - (b) operational risk;
 - (c) reputational risk; and
 - (d) compliance risk including, but not limited to, health and safety, data protection and security risks.
- 5.3 The Operator shall manage and control the Services to minimise the effects of such risks to the provision of the Services.

6. **Compliance**

6.1 The Operator shall develop, agree with the Authority and implement a process for compliance management which documents and tracks the compliance of the Services with Applicable Law and any accreditation or other requirements set out in this Agreement, including but not limited to:

- (a) PCI DSS;
- (b) ISO 27001 and ISO 9001 standards;
- (c) data protection;
- (d) information and System security including cyber-security;
- (e) health and safety; and
- (f) financial auditing.

7. **Stakeholder Management**

7.1 The Operator shall, where required in connection with the provision of the Services, consult with, and where appropriate co-ordinate its activities with, the stakeholders listed under Annex 3 to this Schedule (or such other stakeholders with whom the Operator needs to co-ordinate in relation to the delivery of the Services or as may be agreed with the Authority or notified by the Authority to the Operator from time to time) (the “**Stakeholders**”).

7.2 The Operator shall at all times work with relevant Stakeholders in a spirit of collaboration with a view to ensuring that the Services are operated effectively and efficiently.

7.3 The Operator shall, where appropriate, consult with the Authority prior to engaging with the Stakeholders.

7.4 The Operator shall commence engagement with the Stakeholders during the Mobilisation and Transition Services phase and shall ensure that the requirements of such Stakeholders are appropriately considered in the development of the Operator’s Delivery Plans.

7.5 The Operator shall, where practicable and appropriate, notify the Authority five (5) Business Days in advance of any meetings that have been arranged with the Stakeholders. The Authority may attend such meetings at its discretion.

7.6 The Operator shall notify the Authority of any issues arising during Stakeholder consultation.

8. **Continuous Improvement**

8.1 The Operator shall, on an on-going basis throughout the Term, proactively review its provision of, and seek to improve, the Services including through the following measures:

- (a) identification of industry trends in respect of services similar to the Services;
- (b) identification of potential innovations in respect of the Services;
- (c) identification and prioritisation of areas of the Services that require improvement;
- (d) development of proposals and solutions for the improvement of the Services;

- (e) assessment of the value of any proposed improvements, e.g. through a cost benefit analysis;
 - (f) engagement with the Authority and, where required, with relevant Stakeholders;
 - (g) implementation (in accordance with the provisions of the Change Control Schedule) of continuous improvement Changes, proposed by the Authority or the Operator, that will or could reasonably be expected to result in an improvement to the Services (for the Authority or Customers) and may result in a change to the scope of the Services, KPIs, Payments or incentives; and
 - (h) on-going monitoring and assessment of the impact of any such Changes and /or any other improvement initiatives which are implemented.
- 8.2 Without prejudice to the provisions of the Change Control Schedule (including the right for either party to suggest a continuous improvement change at any time), the Operator shall engage with the Authority on an on-going basis throughout the Term to develop continuous improvement proposals. Any such proposals which constitute Changes shall be agreed and implemented in accordance with the Change Control Procedure.
- 8.3 The Operator shall provide a resource for the management and implementation of continuous improvement changes.
- 8.4 In accordance with the provisions of the Change Control Schedule, the Operator shall engage with the Authority to agree the sharing of any benefits that may arise from the implementation of any continuous improvement changes.
- 9. Authority Policies and Business Rules**
- 9.1 Without prejudice to any other provisions of this Agreement regarding the Authority Policies and Business Rules, the Operator shall comply at all times during the Term with the Authority Policies and Business Rules.
- 9.2 In the event of any conflict or inconsistency between the requirements of the Authority Policies and Business Rules and the requirements of any Schedule to this Agreement, the requirements of the Schedule to this Agreement shall prevail to the extent of such conflict or inconsistency.
- 9.3 The Operator shall review the Authority Policies and Business Rules during the Mobilisation and Transition Services phase, propose any changes to the Authority and shall implement any agreed changes to the Authority Policies and Business Rules into their Services and System, prior to the Operational Commencement Date.
- 9.4 Following the Operational Commencement Date, the Operator shall regularly review the Authority Policies and Business Rules and shall propose from time to time (not being less than once per Contract Year) such improvements or other amendments to the Authority Policies and Business Rules as it may consider necessary or appropriate: (i) with a view to improving the delivery of the Services and the associated costs; or (ii) with respect to any new situations or issues that arise, or changes affecting the Services. All such proposed changes shall be subject to discussion with and agreement by the Authority. The Operator shall implement, within the timeframe agreed between the parties, and comply with the updated Authority Policies and Business Rules once agreed by the Authority.
- 10. Audit**
- 10.1 The Operator shall, as a minimum, perform the audits set out in Annex 4 to this Schedule unless otherwise agreed with the Authority.

- 10.2 All audits shall be conducted in accordance with the provisions of clause 34 of this Agreement and the audit section of the Operations Plan.
- 10.3 The Operator agrees that the purpose of carrying out such auditing activities shall be to:
- (a) monitor and assess that the Services are being performed in accordance with relevant mandatory and non-mandatory requirements (e.g. laws, standards, contractual requirements);
 - (b) identify and manage risks that might adversely affect the provision of the Services; and
 - (c) cooperate with and implement independent audits commissioned by the Authority.
- 10.4 The Operator shall produce annual audit plans which shall set out the audits to be undertaken, the scope of the audits, the programme of audits and the entity which is to perform the audits.
- 10.5 The Operator shall provide reports on all audits undertaken, including those generated by any third party which contain relevant findings which may impact the Services, to the Authority within ten (10) Business Days of completion of the audits. Such reports shall include a summary of the findings and proposed actions from the audits. Where matters arising within such reports are significant in nature (or could be construed as such by the Authority), the Operator shall notify the Authority immediately of the matters concerned.
- 10.6 The Operator shall fully facilitate and support audits of any, or all, aspects of the Services, by the Authority or its agents, at no extra cost, including but not limited to:
- (a) compliance with policies and procedures;
 - (b) operational processes;
 - (c) technology and associated controls;
 - (d) financial records, processes, controls and reporting;
 - (e) Customer management; and
 - (f) other issues as may arise during the Term, as deemed relevant by the Authority.
- 10.7 Findings from audits outlined in paragraph 10.6 above, will be assigned a severity grading by the Authority. While the Operator may discuss such gradings with the Authority or its agents, the Operator accepts that the Authority's decision with regard to such gradings shall be final.
- 10.8 Where findings arise from audits outlined in this section 10, the Operator shall be responsible for addressing such findings within six (6) months of the formal notification of the finding to the Operator (or longer if agreed with the Authority) to the reasonable satisfaction of the Authority. Any remediation work required will be at the expense of the Operator.
- 10.9 Where the Operator procures independent assurance exercises (e.g. SOC1, SOC2, ISAE3402, ISAE 3402 Type 1 or 2 report in regard to financial controls), the results of such exercises shall be made available to the Authority.
- 10.10 The Operator is responsible for the operation of a robust system of internal controls and for the maintenance of evidence to demonstrate such controls are designed and operating effectively.
- 10.11 Where any aspect of the Services is subcontracted to a third party the Operator shall ensure that all provisions included within this section 10 are adhered to by the third party.

- 10.12 The Operator shall ensure that appropriate controls are exercised in relation to any part of the Services sub-contracted to a third party and satisfy the Authority with respect to the control environment in operation in that third party, in advance of such sub-contractor arrangements being approved by the Authority in accordance with clause 40 of this Agreement.
- 10.13 The Operator shall be responsible for providing the Authority with assurance on an annual basis with respect to the on-going effectiveness of controls set out in paragraph 10.12 above in a manner acceptable to the Authority. For the avoidance of doubt this may include:
- (a) the right of the Authority's auditors to perform audits related to the Services; and
 - (b) the provision of audit reports generated by any third party, the Operator or their agents which contain relevant, detailed findings which may impact the Services.

The cost of supporting such audits shall be at the expense of the Operator or third party sub-contractor.

11. **Health and Safety**

- 11.1 The governance framework shall include the oversight of the management of health and safety, including the review of: (i) the Safety Management System; and (ii) on-going activities relating to health and safety.

12. **Environmental Management**

- 12.1 The Operator shall implement an environmental management system in accordance with ISO 14001:2004 or other such industry-accredited environmental management standard as may be agreed with the Authority (the "**Environmental Management System**").
- 12.2 The Operator shall adhere to the Environmental Management System with respect to all aspects of the delivery of the Services.

13. **Data Management and Security**

- 13.1 The Operator shall manage data in accordance with clause 43 of this Agreement and, without prejudice to the provisions of clause 43, in consideration of the following:
- (a) requirements for data retention and secure storage;
 - (b) procedures for anonymising and storing necessary and useful data;
 - (c) procedures to be followed in the event of a data security breach;
 - (d) requirements for the timely and secure deletion of data;
 - (e) preventing the misuse of personal data; and
 - (f) data protection risks and mitigation measures in respect of such risks.

- 13.2 The Operator shall put in place processes and procedures to ensure security (physical and technological) of all data related to the Services.

14. **Project Management**

- 14.1 The Operator shall provide a dedicated project manager (the "**Project Manager**") who shall be appointed for the duration of any projects carried out under this Agreement, including the

Mobilisation and Transition Services phase, and any major changes to the Services or System agreed between the Authority and the Operator pursuant to the Change Control Schedule. Such major changes shall include, without limitation, the incorporation of Additional Toll Points into the Services.

- 14.2 The Mobilisation and Transition Manager shall be considered as a Project Manager for the purposes of this Schedule and all requirements in this section relating to project management shall apply equally to the Mobilisation and Transition Services phase.
- 14.3 The Project Manager shall be responsible within the Operator's organisation for the management and delivery of all projects carried out under this Agreement.
- 14.4 The Operator shall ensure that all projects are undertaken and managed in accordance with PRINCE 2™ (or other industry recognised project management process approved by the Authority) and as further described in the Operations Plan.

15. **Quality Management**

- 15.1 The Operator shall implement a quality management system in accordance with ISO 9001 (or such other industry accredited standard as may be agreed with the Authority) and as further described in the Operations Plan (the "**Quality Management System**").
- 15.2 The Operator shall adhere to the Quality Management System with respect to all aspects of the delivery of the Services.

16. **Reporting**

- 16.1 The Operator shall provide the Standard Reports in accordance with the provisions of Appendix B to the Services Schedule.

[SUBJECT TO CONTRACT/CONTRACT DENIED]

PART 2 - Delivery Plans

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