

# CONFLICT OF INTEREST POLICY

## 1. Summary of the Policy

The purpose of this Policy is to prevent the performance of any action by Mondragon Assembly, S.Coop., based in Aretxabaleta, Gipuzkoa (hereinafter, MA), which may interfere with the independent exercise of the activity, either by investment, interest or association or other ways or modes.

## 2. Scope

This Policy is applicable to all partner workers and to any other person who works for or on behalf of MA, and refers to individual and/or joint actions performed by or on behalf of MA. This Policy shall include all the activities, processes and relationships established by MA and its workers, at all levels, whether formally written under an agreement, policy, procedure or a similar instrument, or are applicable by custom or usual practice.

## 3. General rules of behaviour

A situation of conflict of interest may arise when a worker adopts measures or has **interests that may hinder the performance of their work** at MA in an objective and effective manner, or which may **harm, hinder or jeopardise the objectives** of MA.

A conflict of interest arises when a situation, fact, relationship, etc. interferes or influences the professional and independent judgment of a worker. Conflicts of interest may also occur when workers, their relatives or their close associates, receive undue personal benefits derived from the position they occupy in the company.

### Contract negotiations and orders with third parties:

- ✓ They shall not be actively or passively involved in any agreement that may produce the priority of the interests of the target company over the interests of MA.
- ✓ In the relationship with third parties, they shall always act impartially and objectively, without conditions derived from personal or kinship-related financial considerations.
- ✓ Direct or indirect intervention in the management of any type of agreement involving relatives or close acquaintances shall be avoided.
- ✓ No remuneration shall be received or given to customers, suppliers, and, in general, any third party in the context of MA that may favour the company to which they belong.

### Conflict between the interests of an MA worker and those of customers, suppliers or other third parties

- ✓ In the event that the personal relationship of an MA employee with a customer, supplier or other third party may influence the decision-making process of the latter, the existence of such relationship shall be notified to the hierarchical superior, who shall determine the measures to be adopted, including the possible disengagement of the worker from said specific activity.
- ✓ This rule shall be applicable whether the MA worker makes any type of business with a third party, which is joined by a personal/family relationship, or if the third party includes a family member/close acquaintance in its team, who has a personal relationship with an MA worker.
- ✓ No MA worker may work simultaneously for a competing company or one that may have conflicting interests.
- ✓ No MA worker shall carry out a job, simultaneously with the one performed, which may interfere in the capacity to develop their activities or assume their responsibilities at MA.

#### **Use of the position at MA for personal benefit**

- ✓ No property or information of MA shall be used to obtain profits for oneself, for relatives or close acquaintances.
- ✓ MA suppliers shall not be used to carry out work in their personal field, as long as it supposes a benefit for the worker due to this condition, or a detriment to MA.
- ✓ No personal business shall be conducted, nor shall business opportunities arising from the position or influence of the worker at MA be used.

#### **Purchases, sales and other transactions**

- ✓ Only workers authorised for this purpose shall be allowed to manage agreements and orders.
- ✓ Similarly, services to cooperatives (customers) or requirements to suppliers shall be made in accordance with the law and the internal MA regulations, without the application of subjective or personal parameters.

#### **Significant participation**

- ✓ In the event that an MA worker, or a family member or close acquaintance thereof, has a significant participation in a company that has relations of any kind with MA, they shall inform the superior or, if the circumstances require it, the Conduct, Social Responsibility and Compliance Committee.

#### **4. Modes of action in case of detecting a possible conflict of interest**

- ✓ In the event that a worker detects a possible conflict of interest regarding themselves or another person from MA, they shall inform the hierarchical superior or, if the circumstances require it, the Conduct, Social Responsibility and Compliance Committee.
- ✓ Similarly, if there is no a priori conflict of interest, the change in the circumstances of a worker or a relative/close friend may lead to a conflict of interest, this occurrence shall also be reported.
- ✓ In the event of a possible conflict of interest, all actions shall be paralysed, disengaging the worker or person in conflict, until such situation is remedied, or if it is decided to eliminate or not continue with the action that has given rise to it.

#### **Failure to comply with the Policy**

Any incident or query related to this policy shall be communicated directly to any member of the Conduct, Social Responsibility and Compliance Committee or through the email address:

[gestionetica@mondragon-assembly.com](mailto:gestionetica@mondragon-assembly.com)

**Approved by the Governing Council on 30/10/2017**