

**CODE of CONDUCT****CONTENTS**

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## CODE of CONDUCT

### 0. Purpose

The purpose of this Code of Conduct is to establish the rules of conduct to be followed by the workers of Mondragon Assembly Group regarding their relations with all stakeholders and strict compliance with the legislation and regulations in force in the countries where it operates. In the case of places where the law and regulations are not clear or are less demanding, this Code of Conduct shall be the reference standard for compliance.

### 1. Scope of the "Code of Conduct"

This Code of Conduct is applicable to all members of the companies of the Mondragon Assembly Group, in addition to all persons directly hired, persons hired through other entities, or self-employed professionals, when working for some of the companies of the Mondragon Assembly Group or on its behalf.

This Code of Conduct is made public for the knowledge of society in general, and it shall be ensured that the priority interest groups that interact the most with Mondragon Assembly, such as suppliers, customers and auditors, know it and agree to it.

### 2. Compliance requirement and commitment

This "Code of Conduct" is mandatory for all persons to whom it is applicable, as indicated in the previous point, who must be made aware of it and be required to comply with it.

### 3. Principles and values

The head office of the Mondragon Assembly Group, located in Aretxabaleta, Gipuzkoa, Spain, and origin of the Group, is a cooperative company belonging to the Mondragon cooperative group. For that reason, it is inspired by and applies its **Cooperative Principles and values**, which, as far as possible, it seeks to transfer to other Group companies located in other parts of the world and which do not have a cooperative organisation.

The Mondragon Assembly Group is a dynamic organisation that is committed to internationalisation, being composed of committed people with a high sense of belonging. The Mondragon Assembly Group develops industrial automation solutions while offering a service that pursues excellence and generates trust among customers of the different industrial sectors in which it operates.

The key values on which it bases its work and according to which the performance of its workers is evaluated are:

- Proactivity and Leadership
- Innovation
- People Development.
- Teamwork
- Excellence
- Closeness to the Customer

In summary, the daily activities of Mondragon Assembly:

- Are based on joint commitments and use democratic methods for their organisation and direction.
- Encourage the participation and integration of people in the management, results and ownership of their companies, which develop a common project that harmonises social, business and personal progress.
- Promote training and innovation for the development of human and technological capabilities.
- Apply a proprietary Management Model to achieve leadership positions and promote cooperation.

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In the same line of responsible social action, Mondragon Assembly expresses its commitment to comply with the human rights acknowledged in the national and international legislation and assumes compliance with declarations and initiatives such as the **Fundamental Principles of the Declaration of Human Rights (UN, 1948)**, the principles of the United Nations Global Compact and others that follow the same philosophy of responsibility, solidarity, freedom, democracy and justice, such as the OECD guidelines for multinational companies, the Tripartite Declaration, and the Social Policy of the International Labour Organisation.

### 4. Communication and availability of the "Code of Conduct"

All persons within the scope of this Code of Conduct shall be informed of the contents of the Code and its successive updates, in addition to always having access to the updated document.

The responsibility for communication to people rests with the "Conduct and Criminal Compliance Committee" (see point 10), in coordination with the Directorate of People, which may be delegated depending on the circumstances.

This Code of Conduct is public.

## 5. Rules in relation to people

### 5.1 Compliance with the legislation

Mondragon Assembly is committed to strict compliance with the current legislation (and as far as possible, to exceed it) in relation to everything related to:

- Employment contracts (salary, schedule, calendar, insurance, etc.)
- Working conditions (healthy, clean and safe environment, etc.)
- The rejection of child labour and/or forced or compulsory labour
- Non-discrimination and equal opportunities
- Harassment (there is a [Policy Against Harassment](#))
- Right to Privacy (LOPD) (there is a [Privacy and Confidentiality Policy](#))
- Respect for freedom of association and collective bargaining
- Respect for the rights of ethnic minorities and the peoples where the activities are developed

### 5.2 Rules of Procedure

Mondragon Assembly has its Rules of Procedure, in which, in "Chapter V. DISCIPLINARY LABOUR REGIME", all minor, serious and very serious offences are detailed, which may involve a partner worker in the performance of the labour activity. The sanctions to which these offences are related are detailed in "ARTICLE 96. PENALTIES FOR LABOUR OFFENCES".

### 5.3 Gifts and presents

As a general rule, workers of the Mondragon Assembly Group are not allowed to give or accept gifts or presents in the development of their professional activity.

Exceptionally, they may be delivered or accepted provided that they involve only a gesture of courtesy, of an irrelevant economic value and which does not make the person receiving it feel pressured in their decision-making process. They must be socially acceptable and not generate discomfort to the person who receives it, delivers it or simply has knowledge of the fact.

In general, if there are doubts, the gift should be rejected or the "Conduct and Criminal Compliance Committee" should be consulted.

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### 5.4 Conflicts of interest

It is considered that there is a conflict of interest in situations in which the personal interests of a worker and those of Mondragon Assembly collide, directly or indirectly. The decisions of the workers of Mondragon Assembly should not be conditioned by personal, family-related or any other particular interests. In situations where doubts may arise, the worker should consult the Conduct and Criminal Compliance Committee.

Mondragon Assembly has a Conflict of Interest Management Policy.

### 5.5 Confidentiality

The following shall be considered confidential information:

- All information that has been explicitly declared as such
- Information received from third parties under a confidentiality agreement
- Information from workers, other companies and third parties in relation to Mondragon Assembly that has not been made public by Mondragon Assembly or by the owners thereof

All workers of Mondragon Assembly undertake to maintain discretion and confidentiality regarding all the information they manage in the performance of their work. No one shall be allowed to divulge confidential information without authorisation.

Mondragon Assembly is committed to complying with all current legislation regarding data protection.

### 5.5 Corruption and bribery

In no case shall the personnel of Mondragon Assembly carry out unethical actions to pressure, through blackmail, bribery or threats, to third parties so that they make decisions in favour of Mondragon Assembly, of themselves or of other persons or entities. In the same way, the personnel of Mondragon Assembly shall not tolerate being pressured to make decisions that harm the organisation and/or benefit third parties.

Third party refers to any person in the service of any public or private organisation.  
("Mondragon Assembly" has an Anti-corruption Policy)

## 6. Rules in relation to occupational health and safety

The safety and health of people, along with the prevention of occupational risks, comprises a field of work that is integrated in the usual management of Mondragon Assembly and to which it dedicates attention and resources.

### 6.1 Health surveillance

Mondragon Assembly has and complies with a healthcare service and a health surveillance plan for all people in the organisation.

### 6.2 Prevention of occupational risks

"Mondragon Assembly" has its occupational risk prevention management system, certified according to **ISO-45001** and is committed to working to maintain this certification (or an equivalent one) and improving its performance in this field, as evidence of its responsibility with the well-being, health and safety of the people in the organisation.

### 6.3 Compliance with the current legislation

"Mondragon Assembly is committed to complying with the current legislation applicable to this field of work

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### 7. Rules in relation to the Environment

Respect for the environment and work to minimise and reduce, as reasonably as possible, the impact of its activity, comprises a field of work that is integrated in the usual management of Mondragon Assembly and to which it dedicates attention and resources. In this area of responsibility, Mondragon Assembly has its management system in this field certified according to **ISO-14001**, and is committed to maintaining it (or an equivalent one), in addition to working on the continuous improvement of its performance in this field, as a sign of its commitment to sustainable development.

#### 7.1 Compliance with the current legislation

Mondragon Assembly is committed to complying with the current legislation applicable to this field of work.

### 8. Rules in relation to priority interest groups

#### 8.1 Customers

Closeness to the Customer, defined as one of the six fundamental values of Mondragon Assembly, shows the vital importance that customers have for the organisation, becoming the main reference and guide for the definition of the strategy.

Mondragon Assembly seeks stable and long-term relationships with its customers, based on trust and respect, for which ethical behaviour is essential, always taking into account the legitimate interests of each party.

Mondragon Assembly works to always provide the best product and service quality to its customers, always taking into account ethical, labour, social, safety and environmental criteria. In this sense, Mondragon Assembly carries out customer satisfaction surveys, analyses the results, and implements actions for improvement.

"Mondragon Assembly" has **ISO-9001** certification, being committed to maintaining, as a sign of its commitment to the continuous improvement of the quality of its management and the pursuit of excellent performance in all fields of its activity.

The approach to the market and customers is based on an ethical advertising and communication in its messages, as well as the presentation of clear and honest commercial offers, in which there are no doubts regarding the products and services that are offered, including:

- Contracts including price and payment and delivery conditions
- Warranty and after-sales service
- Clear channels of communication for a good business relationship, including complaints and claims

#### 8.2 Suppliers

The suppliers are necessary allies to develop the fundamental values of Innovation and Excellence, which help to ensure a good product and a good service to customers. As in the case of clients, stable and long-term relationships are sought with suppliers, based on mutual respect and ethical behaviour.

"Mondragon Assembly" evaluates its suppliers (on quality, prices, service, innovation, safety and working environment...) and agrees action plans with them to improve their performance to the benefit of both parties.

Mondragon Assembly shall pay attention to the guarantees of compliance by its suppliers with respect to human rights, the rights of all workers, non-exploitation of children, non-forced labour, and protection of occupational health and safety.

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### 8.3 Administrations

Mondragon Assembly always maintains relationships of loyalty, mutual trust, transparency, good faith and collaboration with all the different administrations of the places where it operates, fulfilling its fiscal obligations.

"Mondragon "Assembly" is committed to complying with all applicable laws and regulations. ("Mondragon Assembly" has a Subsidies policy)

### 8.4 Society

Mondragon Assembly, as part of the Mondragon Cooperative Group, and assuming its principles and values, is committed to:

- a fair distribution of wealth
- a desire for social transformation to achieve a freer, fairer and more caring society
- working with all those who work for economic democracy in the field of the Social Economy, assuming the objectives of Peace, Justice and Development, inherent to International Co-operativism
- the allocation of sufficient human and economic resources to cooperative, professional and youth education.

### 8.5 Competition

Mondragon Assembly considers that competition, carried out respecting the law and in an ethical manner, favours the improvement of organisations and the economy.

Mondragon Assembly is committed to competing legally, loyally, and without making illegal or disrespectful advertising about its competence or third parties.

Mondragon Assembly is committed to obtaining the information under its competence in a legal manner.

## 9. Crime prevention and criminal risk management system (compliance)

Criminal compliance is a field of work that is integrated into the management of Mondragon Assembly and to which it dedicates attention and resources. Mondragon Assembly has a policy of criminal compliance, as well as a management system as a way to create a culture in the organisation and in the behaviour and attitude of the people who are linked to it.

## 10. "Conduct and criminal compliance committee"

To ensure compliance with this Code of Conduct in particular and with all items related to criminal compliance, the Governing Council (governing body) of Mondragon Assembly has established a Conduct and Criminal Compliance Committee, composed of the members of the Surveillance Committee plus one member of the Governing Council and another person as Head of Conduct and Compliance, who shall act as the coordinator and permanent member of this Committee. This Committee is the main guarantor of the supervision, monitoring and control of the obligations derived from the management of compliance, being accredited to request and receive the full cooperation of the other bodies of the organisation. It has direct and immediate access to the Governing Council (governing body) in event that it needs to raise suspicious facts or conducts or other matters related to its purpose.

The Committee has the following main responsibilities:

- management of the Crime Prevention and Criminal Risk Management System (compliance) in order to:
  - promote and supervise its implementation and effectiveness

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- give training support to the members of the organisation
- promote the inclusion of the responsibilities in this respect in job descriptions and in the performance management processes of the members of the organisation
- identification of the legal, social, labour and environmental (criminal) risks that may affect the organisation, including those related to business partners, for their assessment and for taking actions to avoid them or reduce their likelihood of occurrence
- advice to the Board of Directors (senior management) and the Governing Council (governing body) on suggestions, initiatives, and proposals for improvement
- dissemination and correct communication of the Code of Conduct and all aspects related to compliance.
- addressing inquiries and questions on the interpretation of all aspects related to the Code of Conduct and Compliance
- investigation of the communications and complaints received relating to suspicious situations, as well as the corresponding opinion with its proposal for actions to the Governing Council (governing body)
- conducting an annual review of the compliance and content of all aspects related to the management of compliance and making the relevant updates, where applicable
- establishing and measuring performance indicators for compliance management
- reporting annually on the results derived from the compliance management application to the Board of Directors (senior management), the Governing Council (governing body), and the organisation during the General Meeting

The Committee shall meet at least once each quarter and whenever circumstances so require.

### 10.1 Internal channels for communication of non-compliance

Any person who has evidence or suspicion of any crime, or of the violation of any of the principles and values acknowledged in the Code of Conduct and the policies related to social responsibility shall communicate it directly to any of the members of the Conduct and Criminal Compliance Committee or via the following email address:

*gestionetica@mondragon-assembly.com*

The "Criminal Conduct and Compliance Committee" shall ensure: confidentiality for the person making the report, that he/she will be duly informed of how to proceed and that he/she will not suffer any kind of retaliation (provided that the report has been made in an honest manner, without malice).

### 10.2 External channels for communication of non-compliance

Any person, external to Mondragon Assembly, who has evidence or suspicion of any crime, of incorrect or unethical or inappropriate behaviour, by any person or persons of Mondragon Assembly, may communicate it directly to the Conduct and Criminal Compliance Committee via the following email address:

*socialresponsibility@mondragon-assembly.com*

The "Criminal Conduct and Compliance Committee" shall ensure: confidentiality for the person making the report, that he/she will be duly informed of how to proceed and that he/she will not suffer any kind of retaliation (provided that the report has been made in an honest manner, without malice).

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### **10.3 Disciplinary system**

Persons who fail to comply with the Code of Conduct shall be subject to the corresponding sanctions according to the provisions of the Internal Regulations (see item 5.2 of this Code of Conduct of the organisation, notwithstanding other criminal responsibilities in those that may have incurred. The sanctions shall be imposed by the Governing Council (governing body).

### **10.4 Compliance assessment and update**

The degree of compliance and adaptation to the circumstances of the Code of Conduct shall be evaluated annually by the Conduct and Criminal Compliance Committee.

Any updates that are made shall always be validated by the Governing Council (governing body) and shall be communicated to the entire organisation during the General Meeting, or at another time if the circumstances require it.

## **11. Preparation and acceptance**

It is the responsibility of the Head of Conduct and Criminal Compliance to prepare and update the Code of conduct.

The Governing Council (governing body) shall validate it, and all the personnel of the organisation shall have the duty to be aware of and fulfil it, whether they have signed it explicitly or otherwise.