



GUIDELINES ON RELATIONS WITH THE PUBLIC SECTOR

Contents

- 01. Introduction**
- 02. Definitions**
- 03. Subject matter**
- 04. Scope of application**
- 05. Recommendations**
 - 5.1. General Recommendations**
 - 5.2. Specific Recommendations**
- 06. Reporting and consultation channels**
- 07. Related internal regulations**

01.

Introduction

With regard to the activities of the SEAT Group, it is sometimes necessary to keep relations with the different levels of the Public Administration (hereinafter, Public Sector).

All contacts with the Public Sector must be made taking into account the applicable legislation in force, the corresponding Code of Conduct and the corresponding internal regulations to prevent corruption, as well as competition and anti-trust rules.



02.

Definitions

For the purposes of this Guide, **Public Sector** shall mean:

“Those **public institutions and public law entities linked or dependent on the General State Administration, the Administrations of the Autonomous Communities, the Entities that make up the Local Administration and the Institutional Administration;** as well as **private-law entities linked or dependent on Public Administrations.**

The Public Sector must also be extensive to **the European Union**, its institutions and international organizations, as well as the organizations integrated in any of them”.

In order to determine whether an entity is part of the Public Sector, the **Inventory of Public Entities**, accessible through the following link, must be consulted



<https://www.igae.pap.hacienda.gob.es/sitios/igae/en-GB/BasesDatos/Paginas/BasesDatos.aspx>

Likewise, for the purposes of this document, a **representative of the Public Sector** with whom the SEAT Group liaises with or engages in the scope of its own duties, shall mean:



Any public official or employee of a department, agency or distribution of the Public Sector;



Any person who participates accidentally or permanently **in the exercise of public functions, on a remunerated or pro bono basis**, whether by popular election or by appointment of a competent authority;



Any public official or employee of offices in charge of permits, authorizations and licenses, customs public officials, candidates for public office and public officials of international public organizations, including also public officials or employees of State-controlled or state-owned companies such as universities, health facilities and other state-controlled or state-owned providers (hereinafter, “Public Sector Personnel”).



Within the framework of this standard, **the same treatment will be given to family members or associates or those close to Public Sector Personnel.**

A Group company is considered to have **a special relationship** with the Public Sector when it participates, among others (exemplary list, not exhaustive):



in national **public tenders** or foreign biddings,



in **procedures for obtaining subsidies or public aid** from the national or foreign Public Sector,



in procedures for **obtaining licenses, authorizations or administrative permits,**



when the personnel of the Group's company are **related to Public Sector personnel with autonomous competence to make a decision that may entail significant economic advantages for the Group's company.**

Such relationships will be considered as **high risk interactions** when they are **recurrent** (in a personal or indirect way) and, at the same time, their content

or result has a **relevant impact in the ordinary business activities** of any Company in the SEAT Group.

03.

Subject-matter

This Guidelines aim to ensure that the relations between the SEAT Group and the Public Sector always respect the principles of integrity and transparency, complying with the current legislation.

With regard to the above, this document wishes to emphasize the good practices that have been carried out by the SEAT Group in all those necessary arrangements before the Public Sector so as to ensure the objectivity and effectiveness of these efforts, and in order to prevent the corruption.

There is no place for corruption in SEAT. The Code of Conduct sets binding guidelines for all employees in this regard. In this vein, this Guidelines also aims to help employees to be aware of the correct way of acting when liaising with the Public Sector.

04.

Scope of application

For the purposes of this Guideline, the following companies shall be considered affiliated companies to the SEAT Group:

- SEAT, S.A.
- SEAT Cupra, S.A.
- Metrópolis Lab Barcelona, S.A. (SEAT Code)
- SEAT Mobility Ventures, S.L. (Xmoba)
- Respiro, S.L.

05.

Recommendations

As far as the SEAT Group is concerned, compliance with the recommendations established in this document is essential to minimize the risk of becoming accomplice to acts of corruption and ensure its image as an ethical and responsible subject to the Public Sector.

Below are the particularities that all employees of the SEAT Group companies should keep in mind when they maintain any type of relationship or contact with any member of the Public Sector.

5.1. General Recommendations



Only those persons **expressly authorized** to do so by the head of their department within their SEAT Group company may have a relationship with the Public Sector, in accordance with the list of authorized persons sent by each department to the SEAT Communication Area and Institutional Relations Area of the Volkswagen Group in Spain (GC).



The personnel of the Group companies that may liaise with or be involved in the contacts with the Public Sector, must attend the meetings to be held with the Public Sector Personnel accompanied, where possible, by a member of the GC-3 or GC-4 departments of SEAT, S.A., in application of the “**four-eye principle**”. Otherwise, the attendance of two representatives of the corresponding Group company to the scheduled meetings or when engaging with the Public Sector and its representatives will be advisable.



After each contact with the Public Sector, the attendees of each Group company must **complete a document in which the content of the meeting, the attendees or participants and the results, among other data, will be specified.** This document will be guarded by the corresponding Area and should be sent once a year to the GC-3 or GC-4 departments, as appropriate.



In cases where most of the procedures for the processing of a license or permit are done **electronically**, without the need to meet with Public Sector Personnel, **the preparation of the corresponding report will not be required.**



No gifts, invitations or rewards of any nature may be offered to Public Sector Personnel or persons participating in the exercise of public service or public duties, if prior conformity is not obtained from the Compliance & Integrity department



REJECTED

Contracts with the Public Sector including undue conditions, advantages or benefits not justified by the signing of the contract should not be negotiated and, in particular, contracts that may contravene the provisions of internal regulations should not be concluded.



Pursuant to the internal regulations, **no donations can be made to Public Sector Personnel** (public officials, persons holding political or public positions) **or to the Public Sector, in general**, in order to avoid any appearance of undue influence. In line with the foregoing, donations to family members of Public Sector Personnel are also prohibited.



Sponsorships for Public Sector Personnel (public officials, persons holding political or public positions), as well as their family members and close friends **are not permitted** in accordance with the Group's internal regulations.



REJECTED

Trade agreements in which discounts are offered in order to promote consumption, obtaining an illicit advantage on the part of any Group company over other entities **should not be concluded** with Public Sector Personnel or with Public Sector entities,



Public Sector Personnel must not be influenced in any way, regardless of whether the objective is to obtain more favourable treatment or aspects for the society to which they belong. Lobby activities are excluded from this provision, provided they are carried out in accordance with the Group's internal regulations **(DG 40 Foreign Affairs)** and the legal provisions in force at all times.



Likewise, **facilitation payments**, whose purpose is to expedite procedures or facilitate the provision of a service even if they do not have the purpose of obtaining an undue benefit, **are prohibited**. In the case of foreign countries where gifts are part of the local custom, their granting will require the authorization of the Compliance & Integrity department.



Within the framework of the contracting procedures with the Public Sector and procedures for the obtaining of subsidies or public aids, licenses, permits, concessions or administrative authorizations, **their resolution should not be conditional to promises, benefits, gifts or rewards of any nature**, nor can any means be these means used to manipulate such procedures, as regulated in the internal regulations of the Group.

This regulation indicates that the personnel of the Group companies must refrain from influencing specific decisions to be taken by third parties, that is to say, by the Public Sector Personnel. In particular, the personnel of the companies of the Group will try to avoid any appearance of inappropriate behaviour that, within the framework of the activity of the Group society, could be construed as attempts to influence on third parties.



The personnel of the Group companies will refrain from issuing value judgments related to political-institutional matters when liaising with the Public Sector.



All sorts of contact with a representative of the Public Sector must be registered in a durable documentary support. Plus, a copy of every document that has been sent by the Public Sector must be kept in order to keep track of the relations or negotiations maintained. Likewise, the operation and the estimated economic value, the personnel of the Group company involved, as well as any other sensitive information must be identified.



Cash payments to the Public Sector are totally prohibited, except for those that are only accepted by the Public Sector by this payment method. Likewise, traceability must be ensured regarding the origin and destination of the funds and transparency regarding the nature of the contract, procedure or established relationship.



Any payment made to the Public Sector or Public Sector Personnel must be registered in documentary support, to allow traceability. Likewise, all payments made should preferably be made by bank transfer or other means that do not involve the use of cash.



As for any relationship with the Public Sector that implies or may directly or indirectly imply the assumption of economic commitments by the Group company, adequate **separation of duties shall be sought between the person who negotiates the agreement from which those commitments will derive and the person who manages and authorizes the payment flows** resulting therefrom.



No remuneration or reward of any kind can be accepted from the Public Sector Personnel, except in the case of gifts or hospitalities that do not exceed the “limit of insignificance”, in accordance with the internal regulations of the Group. The personnel of the Group companies may accept occasional gifts or presents of an indicative value that does not exceed the economic limit applicable at the given moment of their reception. However, the precepts established for the prevention of conflict of interests must be followed. In case of doubt, the circumstances raised will be examined in a particularly critical and careful manner in order to avoid any doubt about the way in which the people involved should act.

5.2. Specific recommendations



Vehicles provision:

- ▶ When **temporarily providing the Public Sector with vehicles, a contract duly formalized in writing, detailing the precise subject matter of the contract,** its scope of application and the corresponding conditions should always be concluded.
- ▶ Clauses related to the price of the service provision, the valuation of the benefits in the advertising contract or any other consideration to which it may be subject to must be set in accordance with market prices.



The use of the name “collaboration contract” to articulate any transfer of use of a vehicle to the Public Sector is prohibited, as well as the use of the administrative figure of the Collaboration Agreement to which reference will be made.



Collaboration Agreements:

- ▶ **The Group companies will refrain from collaborating with the Public Sector through Collaboration Agreements,** even when being asked to by the Public Sector, in business or agreements that, in accordance with Act 40/2015, are excluded from said figure and that, instead, they should be subject to the regulations of Public Sector contracts.
- ▶ In particular, the Group companies **will refrain from participating in any business, agreement or operation that may entail obtaining consideration by the Group company through the signing of Collaboration Agreements.** In case of doubts about the application of this standard, consult with the Compliance & Integrity department and Legal Services.



Tenders:

- ▶ Group companies should **avoid submitting more than one bid**, by themselves or in concert with third parties, to the same call of a tender or contractor selection procedure with the Public Sector.
- ▶ The personnel of the Group companies that - in a habitual or timely manner - liaise with the Public Sector must strictly respect and comply with the applicable standards and the ethical principles recognized by the Group in its internal regulations during the entire bidding process. In particular, **the personnel of the Group companies are strictly prohibited from adopting any behaviour leading to making promises or offering, directly or indirectly, benefits to the Public Sector Personnel** that could be an advantage for the Group company in the bidding process in question. The personnel of the Group companies must refrain from influencing specific decisions to be taken by third parties, that is to say, by the Public Sector Personnel. In particular, the personnel of the

companies of the Group will try to avoid any appearance of inappropriate behaviour that could be construed as attempts to influence on third parties.



Adequate **separation of duties between the following personalities must be ensured:**

1. The person who performs duties of a commercial nature during the pre-bidding and bidding stages (**“commercial manager”**),
2. The person who is responsible for dealing with any matter related to the execution of the contract (**“person entrusted with the contract execution”**),
3. The person who verifies compliance with the internal procedures of the Group company that regulate relations with the Public Sector (**“compliance officer”**).

1.

The “**commercial manager**” will: analyze the tenders to which the Group company has the possibility of submitting a bid; attend informative meetings on different projects; and maintain contact with the Public Sector Personnel on said projects. Likewise, the commercial manager will prepare the documentation for the submission of the bid according to the corresponding specifications, as well as any other information that may be requested by the Public Sector. During the bidding stage, the commercial manager will also elaborate a regular report and hold meetings with the “compliance officer”.

2.

The “**person entrusted with the contract execution**” will be the person who will contact the Public Sector during the development of the Project. The “person entrusted with the contract execution” must issue regular reports and hold meetings with the “compliance officer”.

3.

The “**compliance officer**” is the person who will analyze the regular reports and submit any inconsistencies or risks encountered to the Compliance & Integrity department.

- ▶ When, in public tenders, the Group company invoices directly to the Public Sector, a **documentary record must be kept so as to prove that the aforementioned transaction has been carried out**, in order to allow greater transparency and traceability.
- ▶ Payments that, for whatever reason, need to be made by the Group company during a bidding process, must be made in accordance with the applicable regulations.
- ▶ Any **inconsistency or alert of payments must be reported immediately to the Compliance & Integrity department** that, in turn, must inform the corresponding person according to the internal procedures approved by the Group.
- ▶ The Group company must ensure that the personnel involved in the bidding procedure do not **directly or indirectly have a financial, economic or personal interest that could compromise the impartiality and independence** of Public Sector personnel. Should this situation occur, the situation

must be solved effectively by immediately removing the person from the Group company involved, in order to avoid compromising the tender procedure in question.



Gifts, bonuses or benefits:

Gifts, rewards or benefits of any kind, whether in cash or not, made by the Public Sector Personnel to the Group company personnel, **should not be accepted.**



Exception:

Except in the case of gifts or entertainment that do not exceed the **“limit of insignificance”**, in accordance with the internal regulations of the Group.

The personnel of the Group companies may accept occasional gifts or presents of an indicative value that does not exceed the economic limit applicable at the time being.

However, the precepts established for the prevention of conflict of interests must be followed.

The Group company personnel must notify the Compliance & Integrity department in the event that evidence of the aforementioned conflict of interest is detected.

In case of doubt, the circumstances raised will be examined in a particularly critical and careful manner in order to avoid any doubt about the way in which the people involved should act.

Nor should the Group company personnel offer to Public Sector Personnel, executives, senior officers and assimilated, any gift, reward or benefit, whether in cash or not, **without the prior approval of the Compliance & Integrity department.**

In case of doubts about the suitability of the hospitalities, the Group company personnel should **contact the Compliance and Integrity department.**



Carrying out administrative procedures and, in particular, obtaining licenses, permits, concessions or administrative authorizations, and public subsidies or aids:

The personnel of the Group companies must **warn the Compliance & Integrity department** in the event that the Public Sector Personnel involved in the procedure falls within the definition of any of the **causes of abstention or disqualification** defined in Article 23 of Spanish Act 40/2015 and in particular, **the following:**

- ✓ Should the Public Sector Personnel have a **personal interest in the matter;**
- ✓ Should the Public Sector Personnel have a **marital bond or a situation of assimilable fact and kinship** with the personnel of the Group company;
- ✓ Should the Public Sector Personnel may have **manifest friendship or enmity** with the personnel of the Group company;
- ✓ Should the Public Sector Personnel **provide or have provided professional services** of any kind to the personnel of the Group company.



Recruitment of Public Sector Personnel in Group companies:

Group companies must **not employ or bind any person who has been part of the Public Sector Personnel before a reasonable time has elapsed since leaving office**, in accordance with the applicable regulations. Nor should the Group companies do it so through agents or other intermediaries.

Group companies are **prohibited from recruiting Public Sector personnel whose activity is incompatible** with a second job, position or activity, according to the applicable regulations on incompatibilities of personnel serving the Public Sector. Special attention must be paid in the latter cases.

In case of doubts about the “suitability” with respect to the personnel recruitment, the personnel of the Group company should **contact the Compliance & Integrity department.**

06.

Reporting and consultation channels



Whistleblower channels

Any **reasonable suspicion of violation of this Guidelines** shall be reported through the **whistleblower channels** made available by the SEAT Group [see DG03 and AG 14]:

- ▶ Local channel
[transparencia@seat.es]
- ▶ Local Ombudsman
- ▶ Volkswagen Group channels



Consultation channel

In any case, employees who may have **doubts or concerns regarding** the conduct to be followed with respect to their **relations with the Public Sector should contact the Compliance and Integrity Department through:**

Compliance & Integrity Portal
[<https://cms.seat.vwg>]

Those employees who do not have corporate e-mail, as well as third parties outside the Company, can contact the Compliance and Integrity Department through the following mailbox:

compliance@seat.es

07.

Related Internal Regulations

- **Code of Conduct**
Of the SEAT Group.
- **DG-03**
Whistleblower System of the VW Group
- **DG-39**
Guidelines to prevent conflicts of interests and corruption.
- **DG-40**
Foreign Affairs.
- **DG-42**
Donations and Sponsorship
- **Anti-Corruption Guidelines.**
- **AG-14**
Local Whistleblower System
- **AG-15**
Prevention of Conflict of Interests and Corruption
- **AG-17**
Donations by the SEAT Group.
- **AG-18**
Gifts and invitations from SEAT to employees and third parties
- **AG-80**
Sponsorship.



SEAT, S.A.

Governance, Risk, Compliance & Integrity

08760 Martorell, Spain

compliance@seat.es

Edition 05/2020