

Conflict of Interest Policy



Conflict of Interest policy

Purpose

The LEGO Foundation is committed to conducting operations in a manner that requires the highest ethical standards of employees of the LEGO Foundation and non-employees at third parties acting on behalf of the LEGO Foundation, by using the Foundation's assets efficiently to achieve the objectives laid out in the LEGO Foundation's charter; and to take measures to as-sure decisions are not influenced by self-interest.

The purpose of this policy is to provide guidance in identifying and handing potential and actual conflicts of interest involving the LEGO Foundation.

Employees of the Foundation are expected to conduct their relationships with each other, the Foundation, LEGO entities, and outside organizations with objectivity and honesty. The basic purpose of this policy is to avoid that an employee places his or her personal interests before the interests of the LEGO Foundation and that such personal interests unduly influence pro-fessional judgments, decisions, or actions.

Scope

This policy applies to all employees of the LEGO Foundation in Denmark and abroad (includ-ing entities that the LEGO Foundation controls) and third parties acting on behalf of the LEGO Foundation, regardless of the country or jurisdiction where they are based.

All employees have a personal responsibility to live up to the standards set out in this policy, as well as continual review of outside interests or relationships for actual, potential, or per-ceived conflicts of interests. People Leaders have a leadership role and are responsible for preventing conflicts of interests and taking actions if needed.

Requirements

As part of employment with the LEGO Foundation, employees have a contractual obligation of loyalty to the LEGO Foundation.

Below are described the requirements of this policy. Employees are expected to understand when a conflict of interest may arise and must avoid conflicts of interest wherever possible. Further, People Leaders must ensure conflicts of interest are appropriately addressed.

Identifying Conflicts of Interest

The LEGO Foundation defines conflicts of interest accordingly:

- Actual conflicts of interest (the employee faces a real, existing conflict);
- Potential conflicts of interest (the employee is in or could be in a situation that may result in a conflict);
- Perceived conflicts of interest (the employee is in or could be in a situation that may ap-pear to be a conflict, even if this is not the case).

Conflicts of interests may arise in situations which benefit friends, former business colleagues and/or closely related persons as defined in the table below.

Generally, a conflict of interest exists if:

- An individual or his/her closely related person and/or friend and/or former business colleagues may receive financial or other significant benefit as a result of the person's position at the LEGO Foundation;
- An individual has an existing or potential financial or other significant interest which impairs or might appear to impair the person's independence in performing their LEGO Foundation responsibilities.

Common examples of conflict of interest situations include personal workplace relationships e.g. hiring or supervising a closely related person or promoting personal financial interests. Please also remember to respect our Gifts, Hospitality & Entertainment Policy, as excessive gifts, hospitality and entertainment can be seen as a potential conflict of interest.

Responding to Conflicts of Interest

The LEGO Foundation respects employees' rights and choices and does not wish to interfere with their personal lives. However, employees' avoidance of conflicts of interest is an important part of maintaining the integrity and sustainability of our projects and builds trust and support amongst colleagues and our key stakeholders.

In order to assure impartial decision-making, the general rule is that LEGO Foundation employees are obligated to avoid conflicts of interest involving the LEGO Foundation and disclose using the Conflict of Interest Declaration Form (Annex 1).

Disclosure of Conflicts of Interest

Addressing a conflict of interest is the process of identifying and implementing practices and actions to minimize the risks associated with the disclosed conflict of interest.

Employees are expected to recognise when they have, potentially have, or could be perceived as having, a conflict of interest. Employees should consult their People Leader if in doubt about what circumstances might create a conflict of interest and use the Conflict of Interest Declaration Form of this Policy (Annex 1).

Conflicts of interests should be disclosed in due time in the LEGO Foundation's decision-making process and the Conflict of Interest Declaration Form must be completed by the employee and the People Leader. The Grants & Administration team, Excellence can be consulted to identify risk mitigation actions and practices.

Record Keeping

The LEGO Foundation HR will keep the completed Conflict of Interest Declaration forms on the relevant employee file.

Breaches

A breach of this policy may result in disciplinary action, which could include termination of employment, and legal action. If laws have been violated, the LEGO Foundation will cooperate fully with the appropriate authorities.

Disciplinary action will be taken against any individual who is found to have authorised, condoned, participated in or concealed actions that breach this policy and who retaliate, directly or indirectly, or encourage others to retaliate against an employee or non-employees at a third party who reports a breach.

Reporting Breaches

All employees or third parties acting on our behalf have an obligation to immediately report any knowledge of a breach or suspected breach of this policy. Third parties should report through their LEGO Foundation employee contact. Anyone who withholds information concerning a breach or suspected breach may be subject to disciplinary action.

Any incident must be reported to either:

- A person in a formal leadership capacity at the LEGO Foundation (your manager or manager's manager);
- the LEGO Foundation Compliance Line

If you are in doubt as to whether a breach has occurred, or if you need guidance to make a decision, you are encouraged to seek assistance from Grants & Administration team, Excel-lence or KIRKBI Legal Services.

The LEGO Foundation will handle all reports discreetly and will make every effort to protect, within the limits allowed by law, the identities of anyone reporting a possible breach. There will be no retaliation from the LEGO Foundation for making a report. Any employee reporting in good faith a possible breach shall not be disciplined for submitting a report provided that the employee is not involved in the breach.

Definitions

The following term and definition is used in this document:

Closely related persons	Closely related persons are the employee' family members, someone with whom the employee has an intimate relationship, and those living in the same household as the employee.
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