



# **Code of Ethics**

## **Our approach to Ethics:**

*We are a centennial company. As a Group, we are widely known for our outstanding relationship with our clients, suppliers, different organizations, employees and the community as a whole. We are respected for the way in which we do business, our production schemes, our ethical behavior and business conduct. We are very proud of our strong positive reputation as an organization.*

*Our leadership style is based on Corporate Culture. The distinctive mark found at Ledesma is respected and valued. Our Principles and Values define our philosophy, constitute the cornerstones of our business activities and prevail at all times, since they are paramount in every decision we make.*

*These principles and values are an integral part of this Code of Ethics, which is a summary of guidelines to be followed by all the staff and those who are part of Ledesma Group. This code outlines the commitments that each of us continuously make to improve our work environment, our environmental responsibility and our relationship with society as a whole.*

## **Ledesma Group approach to Principles and Values**

**Ethics:** We expect that working at Ledesma will create a lifestyle and that the Company will be more than just a workplace. To achieve this, ethics shall drive our actions at all times, and this does not mean to act naively.

**Our staff:** Respect for human dignity must define our relationship with Company members and third parties while conducting business activities.

**Personal and Professional Growth:** We must promote personal and professional growth by providing training and leadership courses within a supportive work environment.

**Team work:** The era of providential and essential men has been left behind. By delegating tasks effectively, we must work as a team and bridge the gap between making decisions and taking action.

**Innovation – Creativity:** We must foster innovation and creativity, essential values for success in this dynamic world where change is constant. Involuntary mistakes shall not be considered as grounds for disqualifying or imposing sanctions, since that runs against our values.

**Professional Conduct:** Professional conduct must define Ledesma internal and outsourced business agreements. We understand Professional Conduct as the fulfillment of any written or oral commitments undertaken by Ledesma.

**Efficiency - Quality - Customer service:** In every management aspect and at all times, we shall take into account these three key elements that contribute not only to the development of our Business Group but also to its survival. We are constantly seeking to have a close relationship with our clients in order to better understand and meet their needs.

**Internal Clients:** We must be aware that, whenever different internal areas require or provide services to the Company, they turn to be internal clients and suppliers. Therefore, we must devote the same efforts and apply the same customer service profile as we apply to meet the needs of external clients.

**Profits:** Profits are essential to enable long term growth and development. We will always be aware of the need to generate profits, insisting in the importance of being cost-competitive while maintaining our products and service quality.

**Discipline – Consistency:** We must always act with discipline and consistent behavior in accordance with the values expressed above. In that sense, we must be inflexible, since this makes the essence of what we want to be.

## **Code of Ethics**

This Code establishes the guidelines and the integrity and transparency standards of conduct that Ledesma Group employees shall follow, at all levels.

The provisions of this Code must also abide all the personnel performing activities or tasks for the Ledesma Group, even if they are not Ledesma Group employees. This includes contractors, consultants, independent professionals, etc. Ledesma Group employees in charge of supervising said contractors/consultants must let them know the contents of this Code.

### ***Expected Conduct***

It is the duty of all employees of Ledesma Group to perform their duties in compliance with any and all applicable laws, internal and external regulations, Ledesma Group values and principles, its Code of Ethics and any other internal policy or procedure in force.

Ledesma Group staff members are expected to be honest, trustworthy and straightforward in every personal and business dealings related to the company.

### ***Supremacy of this Code of Ethics***

The guidelines established in this Code shall prevail over any order of a superior, regardless of who have instructed said orders.

People working at Ledesma Group must know, understand and abide by the provisions stated in this Code as a mandatory condition to work at Ledesma.

The compliance of this Code is the exclusive and personal responsibility of every employee, who cannot, after being informed of the contents and application of this Code, justify a violation to the Code for ignorance or obedience to orders from higher or lower ranking officers.

Employees are expected to act in a responsible way in case of potential violations to this Code, by reporting on their own initiative if they became aware of acts that may violate the provisions of this Code. In case of violation to any of the guidelines or expected conduct as established in this Code, by any employee, contractor or third party to which such guideline or behavior shall be applicable, such employee, contractor or third party will be subject to pertinent sanctions, including the termination of a contract or dismissal from Ledesma Group.

### ***Ethics Committee***

An Ethics Committee shall be created in order to review, interpret and implement this Code of Ethics. The Committee will be composed by two (2) members of the Board of Directors, one (1) representative from Ledesma Department of Talent and Organizational Development and one (1) representative of Ledesma Internal Audit Department. Directors who are members of the Ethics Committee cannot be Managers or Senior-related functions within Ledesma Group.

### ***Code of Ethics Violation Reports***

In case an employee, notwithstanding his/her function or hierarchical level within the company, suspects or becomes aware of a possible infringement or violation to any of the provisions of this Code, said employee must report such infringement or violation to his/her direct superior and/or to the Ethics Committee.

The Ethics Committee must be informed of any infringement or violation to this Code. In case the Ethics Committee is not notified directly by the reporting party, the person that receives the report must notify the Ethics Committee.

### ***Code of Ethics Implementation***

The Ethics Committee must solve any matter related to the application or interpretation of this Code that cannot be satisfactorily addressed by other supervision levels. The Committee can, at its exclusive criteria, require the Internal Audit Department to conduct acts intended to inform, bring to knowledge or thorough understanding any matter raised, or to solve them.

In this sense, employees who need more information than the one provided by their superior officers, in relation to this Code, may communicate directly with the General Manager, with any of the Ethics Committee Directors, or with the Internal Audit Department in order to comply with his/her need of further information.

In case of detecting signs, becoming aware or verifying any violation to the provisions of this Code, the Ethics Committee shall submit the issue to the General Management in order to evaluate the steps to be taken.

In all cases, the information received and the right of defense of the employees involved shall be kept under strict confidentiality.

Employees must collaborate with internal investigations being conducted, as per required.

### ***Communication channels to make Questions or send Ethics Violation Reports:***



E-mail: [etica@ledesma.com.ar](mailto:etica@ledesma.com.ar) / Telephone: 0810-666-0707

## **Code of Ethics - Guidelines**

This Code of Ethics sets guidelines in regard to the following issues:

- 1. Compliance with laws and regulations**
  - 2. Management transparency**
  - 3. Conflicts of interest**
- 4. Gifts and entertainment**
  - 5. Bribes**
  - 6. Fraud**
  - 7. Use of assets**
  - 8. Austerity Principle**
- 9. Information security**
  - 10. Confidentiality**
  - 11. Privileged information**
  - 12. Subscription of Contracts**
- 13. Use of technological resources**
  - 14. Intellectual property**
  - 15. Internal control**
  - 16. Accurate records and reports**
  - 17. Work environment**
  - 18. Political autonomy**
- 19. Media Relations**
  - 20. Environmental protection**
- 21. CSR and Community Engagement**

## **1. Compliance with laws and regulations**

*Ledesma employees must comply with all and any applicable laws and regulations*

All employees must comply, at all times, with the laws and regulations to which the company is subject to.

Employees must be aware that any inappropriate behavior may give rise to Ledesma Group liability and/or its member's liability.

Moreover, employees cannot intentionally cooperate with third parties in order to violate any laws and regulations, either by drafting false documents or through any other action.

## **2. Management Transparency**

*Information provided must be accurate and any and all decisions made must be transparent*

Employees must take any necessary action to ensure correct management of information and transparency in decision-making processes.

For that purpose, information is considered transparent when it precisely reflects reality.

A decision is considered transparent when it fulfills the following conditions:

- The decision must be approved by the appropriate hierarchical level according to the provisions of the applicable policy or regulation.
- It must be based on a reasonable analysis of inherent risks.
- Its grounds must be explained in writing, in records.
- It must favor the interests of Ledesma Group over any other interests.

### **3. Conflicts of interest**

#### ***Conflicts of interest must be informed***

A conflict of interest, actual or potential, exists when personal relations with third parties may affect Ledesma Group interests.

Employees shall always privilege the Ledesma Group interests over any situation that may represent a personal benefit, either actual or potential, for themselves or for persons related to them while conducting businesses with clients, suppliers, contractors, competitors or any other person involved, directly or indirectly, in Ledesma Group 's operations.

Any behavior, within the work environment, which purpose is to create personal benefit in favor of employees or their relatives shall be considered contrary to the principles of this Code.

### **4. Gifts or Entertainment**

#### ***Promising, offering or accepting gifts or entertainment is hereby restricted***

The promise, offering and/or acceptance of gifts or entertainment may be part of the development of a strong business relationship. However, employees must not offer or accept excessive or undue gifts or entertainment that may create or imply undue influence or create an obligation to the recipient of such gifts or entertainment.

Employees can offer and accept courtesy gifts of small value, only when such acts cannot be interpreted by an impartial observer as destined to obtain an undue advantage and as long as such gifts do not violate the applicable laws, practices and/or regulations and comply with the provisions of this Code and the internal regulations of Ledesma Group.

The aforementioned is also applicable to employees' relatives.

## **5. Bribes**

***Business activities must always comply with applicable laws, respect market practices and comply with the procedures of Ledesma Group***

It is prohibited to offer, give, request or accept, either directly or indirectly, goods and/or assets that are or may be interpreted as elements to influence the decision of government officers, political representatives and/or any other person that is or may be related to Ledesma Group.

The company will not tolerate, under no circumstances, the offering or acceptance of bribes or any other undue payment.

## **6. Fraud**

***Ledesma Group employees must refrain from conducting fraudulent activities***

Fraud is any action that is contrary to the truth and righteousness, which purpose is to damage others. It is any means of deceit or distortion that misleads another party, causing damage.

In Ledesma we do not accept, under no circumstances, any behavior of such nature.

## **7. Use of Corporate Assets**

### ***Due care shall be exercised in the use of Ledesma Group Assets***

Notwithstanding statutory regulations in force, every employee is responsible for exercising due care in the proper use of Ledesma Group assets and undertakes to protect Ledesma Group property, chattels, tangible or intangible assets against any unauthorized or undue use, breach of trust, damage or loss for negligence or criminal intent of any kind.

## **8. Austerity Principle**

### ***All actions must be conducted based on austerity principles***

In the Ledesma Group all processes must be conducted under austerity principles.

Employees must make an efficient use of available resources and fixed assets within their reach, always keeping them in perfect working conditions, seeking to maximize their capacity and extend their lifespan.

Employees must not incur in onerous practices. They must always maximize resources, promote at all times economic saving in operations, promotional activities and business actions, spreading an austerity and sobriety message in order to avoid unnecessary expenses.

## **9. Information Security**

***Information access shall be limited to authorized personnel only. The undue disclosure of such information is prohibited***

Only authorized persons, who must abide by the statutory restrictions established by applicable law, may access Ledesma Group internal information, provided that said information may only be used for the purposes and during the periods set forth by the pertinent authorization.

Access passwords are equivalent to the employee's signature and must only be known by their user, provided that their disclosure to third parties is prohibited.

Employees are directly responsible for taking all and every necessary steps to protect Ledesma Group information from the risk of damage and must ensure the protection of said information for the period established in the laws and in the corresponding internal regulations.

## **10. Confidentiality**

***Confidentiality of all information which disclosure has not been specifically authorized or has not been required by law, must be protected***

Employees must keep confidentiality on all the information to which they have access in the performance of their obligations, including the information that has not been classified as confidential, and even if such information does not refer specifically to the company, but to its clients, competitors, suppliers, markets and public organizations in relation to their activities.

This confidentiality requirement must be respected in accordance with the applicable laws until that information is made public, or in case its disclosure is authorized by the Senior Management, provided that a pertinent Confidentiality Agreement is approved and granted by the Institutional and Legal Affairs Department.

The Ethics Committee authorizes the Internal Audit Department, subject to the conditions or restrictions imposed by applicable law, to control data and information flows, records and any other documents of Ledesma Group, in order to verify the compliance of the provisions of this Code.

## **11. Privileged Information**

### ***The use or disclosure of privileged information is prohibited***

No employee can acquire, sell or trade in any other way Ledesma Group securities or securities of any other company that conducts businesses with Ledesma Group, taking advantage of his/her access to relevant privileged information.

Employees investing in Ledesma Group shares of stock must be aware of the rules limiting their right to buy or sell equities or securities and their confidentiality obligations in relation to avoid disclosing sensitive information to third parties.

## **12. Subscription of Contracts**

### ***The subscription of contracts in the name of Ledesma Group must be conducted by authorized persons only***

Any person executing contracts on behalf of Ledesma Group must have been duly authorized in advance to perform such contract execution and shall provide for any pertinent legal or tax review he/she may be deem necessary, in due time.

### **13. Use of technological resources**

*Hardware and software can only be used for authorized purposes. The use of illegal software or software without license is prohibited.*

Equipment, systems and/or technological devices can only be used for the purposes authorized by Ledesma Group.

The use of software must comply, without exception, with corporate standards issued by the company.

The use of technological resources must follow any and all the operational policies and procedures defined by the respective areas.

### **14. Intellectual property**

*Ledesma Group has Intellectual property rights of any knowledge developed within the workplace*

The ownership of intellectual property rights on knowledge developed within the workplace belongs to Ledesma Group, which maintains its right to exploit said knowledge in the manner and at the time the Group may consider it appropriate, in accordance with applicable laws and regulations.

Said ownership of the intellectual property includes: plans, systems, procedures, methods, courses, reports, projections, designs, genetic developments and any other new knowledge or advancement discovered within the company or through the company's hiring.

## **15. Internal controls**

### ***Employees must follow and comply with internal controls requirements and ensure their proper application***

Ledesma Group promotes, in all levels of the organization, a culture oriented to conducting Internal Controls.

Internal controls are necessary in order to efficiently develop, manage and check activities performance. Such controls help to protect Ledesma Group assets, manage operations efficiently, provide precise and complete accounting information and avoid undesired behaviors or conduct.

All the employees, notwithstanding their function or hierarchical level, must have a positive attitude towards internal controls in order to increase their activities efficiency and must ensure that Ledesma Group business activities are conducted in accordance with applicable laws, the company's values and principles, this Code of Ethics, the company's policies and procedures and business practices.

Employees must also identify and inform any weak point or failure in the appropriate application of Internal Controls.

## **16. Accurate records and reports**

### ***Employees must keep and maintain accurate records***

Records are any form of information generated or kept by the Ledesma Group.

Ledesma Group undertakes to the following:

- Its books and records must reflect the transactions according to the methods authorized to inform economic events.
- Any false statement, concealment, falsification, deceit and/or any other act intended to create inaccurate information in the financial books or records or any other illegal act will not be tolerated.
- Transactions must be reflected appropriately in the books and records in order to enable the preparation of the financial statements in accordance with applicable accounting standards.

## **17. Work environment**

### ***The company promotes a work environment of respect and tolerance of differences***

All persons are provided the opportunity to become part of Ledesma Group and/or to apply for a new position based on the requirements of the vacancy and merit criteria.

All the employees, without exception, must create and foster a culture of trust, tolerance and acceptance of differences to promote a positive work environment based on mutual respect.

Segregations, exclusions or preferences based on race, religion, national origin, beliefs, political or trade union opinions, gender or sexual orientation, financial situation, social status, physical characteristics or any other aspect that affects human dignity and the respect for individuals will not be tolerated.

### ***Abuse of power and harassment are prohibited***

Managers and Senior executives, in all levels of the organization, must be role models in the performance of their functions and their practices must be an example for their collaborators. The acts of abuse of power or harassment will not be tolerated under no circumstances.

## **18. Political autonomy**

### ***Political commitments in the name of Ledesma Group are restricted***

The Ledesma Group has no ideological, political or partisan affiliation, but encourages the civil cooperation in professional associations and civil groups, and promotes the responsible exercise of political rights.

The participation of employees in political and/or electoral processes shall be in their personal capacity and cannot include contributions of time, financial support or resources of Ledesma Group.

Employees are not authorized, on behalf of Ledesma Group, to publicly support any political parties, or to participate in election campaigns or to take part in religious, ethnic or political conflicts.

## **19. Media Relations**

### ***Only authorized persons can provide information inherent to Ledesma Group to the media***

## **20. Environmental protection**

*The protection of the environment and natural resources are essential for a sustainable generation of value*

Our purpose is to achieve continuous improvement in environmental aspects. Ledesma Group's purpose is to respect the spirit and the letter of applicable laws and regulations related to environmental protection, and to conduct its businesses and run its processes in accordance with our Corporate Environmental Policy.

## **21. Corporate Social Responsibility (CSR) and Community Engagement**

*Our purpose is to contribute to the sustainable development of the communities in which we operate, by complying with Ledesma Policy on Corporate Social Responsibility.*