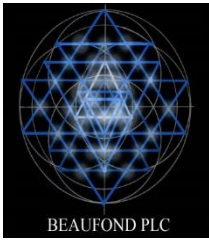




*Business
code of
ethics*

Beaufond Plc



Preface:

Beaufond Plc's professional code of ethics / code of Business conduct is a guided of principles designed to help Board of Directors, Executives, officer, professionals and employees of the company to conduct themselves with honesty and most integrity in all actions representing the company. This Professional code of ethics is hereby referred to as an "**Beaufond Plc's Code of Ethics / Business Code of Ethics (BCE)**," encompasses areas such as business ethics, company's mission, code of business professional practice and employee code of conduct.

BCE establishes a conceptual framework with value based code that identifies, evaluates, and addresses threats to compliance with **the fundamental principles**. The conceptual framework approach demonstrates professionalism that assists the board in complying with the ethical requirements of this code and meeting their responsibility to act in the public interest.

BCE is made up of five fundamental principles:

- Integrity. Being straightforward, honest and truthful in all transactions, activities and business relationships. ...
- Objectivity. ...
- Professional competence in business and due care. ...
- Confidentiality. ...
- Business Professional behaviour.

The ethical code was first formulated in the year 2009 and updates its Code of Ethics every year to ensure that it remains relevant and reflects the changing dynamics and pressures of the Activities of the company.

Beaufond Plc has a duty to observe the highest standards of conduct and integrity, and to uphold the good standing and reputation of the company. It refrains from any conduct which might discredit the interest of the company.

With the above basic principles, in the month of October 2018, a group of committee headed by Group HR Head as Chairman with Head of Risk and compliance, General Manager Audit and General Manager R&D as members was formed to update and formulate a revised BCE, keeping in mind the company's future vision. The team has submitted their report to the Board and the Board on its meeting on 24th April 2019 has approved the "**Beaufond Plc's Code of Ethics (BCE)**" and implemented with immediate effect.

The Board congratulates the team and the staff for their whole hearted contribution towards this task and also mark its appreciation in the Board meeting. All Board members, executives, officers, professional and staff are advised to exercise the code of ethics with true spirit

Dated: 24.04.2019

Director & CEO



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I. BACKGROUND

1. Beaufond Plc's professional ethical principles show a sense of respect, honesty and integrity. These are essential values for a pleasant work environment.
2. These values are a key part of our corporate culture and constitute a fundamental component in the life of the company.
3. These values are part of our organizational culture and our daily activities; therefore it is necessary to establish a common framework that unifies the criteria and guides the actions of all the people who form Beaufond Plc and to make it official.
4. Beaufond Plc works under the fundamental principles of abiding by all laws and regulations, whose observance and compliance is essential to exist and operate at its best within its social environment.
5. This code is based on the fact that most of the time the correct action is clear, regardless of whether or not included in a code.
6. As a result of the foregoing, Beaufond Plc's Board of Directors approved and authorized the issuance of this Business Code of Ethics.



II. OBJECTIVES

This Business Code of Ethics has the following purposes:

1. It Informs to the Directors, executives, professionals, officers and employees of the organization, their ethical obligations to Beaufond Plc, its investors, customers, creditors, suppliers, and competitors, to the authorities, the environment and the community.
2. It establishes basic criteria in order to regulate ethical behavior of all people working in Beaufond Plc.
3. Share the ethical values with people interested in learning about Beaufond Plc.
4. Set forth the procedure to sanction those who commit offences against our Business Code of Ethics



III.SCOPE:

1. BCE was prepared to be observed by members of the Board of Directors, executives, professionals, officers and managers (officers) and employees of Beaufond Plc.
2. BCE describes general situations regarding relations with investors, customers, suppliers, authorities, the environment and the community, taking into consideration those areas with higher risks of potential ethical conflict.
3. As needed, any new issues / developments that arise from the business dynamics and the general environment will be included in this code.
4. BCE document is not and does not intend to be exhaustive or include all situations where an ethical conflict might arise. Therefore, situations not foreseen in this Business Code of Ethics shall be resolved with a sound business judgment. In case of doubt, it shall be consulted with the department of Human Resources, Internal Audit, or ultimately, with the Audit Committee of the Board of Directors.



IV. VALUES:

At Beaufond Plc, we embrace commitment and responsibility in the actions through some values that form an integral part of the organization. Such values create the basis for the preparation of guidelines upon which decisions and actions are taken.

The Beaufond Plc ´s main values are the following:

1. RESPECT AND INTEGRAL DEVELOPMENT OF COLLABORATORS:

We encourage respect and integral development of the collaborators and their family, for them to have access to better opportunities, fostering with it his/her economic, professional, and social growth.

2. INTEGRITY AND AUSTRITY:

We act in an honest and responsible manner, adhering to the ethical principles, being aware of the impact of our actions and decisions.

We are judicious in our behavior and the use of company resources.

3. PASSION FOR CUSTOMER SERVICE:

We are focused on identifying and meeting the needs of our customers, always seeking their preference through innovating solutions.

4. SOCIAL VALUE CREATION:

We contribute to positively transform our communities through the simultaneous creation of economic, social, and environmental value.

5. CONFIDENTIALITY:

We are required to keep the information received in their capacity as Directors confidential, and may not use it for any other purpose than for fulfilling their remit



V. GENERAL RULES OF ETHICS

1. We have a loyal, respectful, diligent and honest conduct.
2. We recognize human dignity and we respect personal freedom and privacy.
3. We are under moral obligation to respect and protect our personnel.
4. We do not discriminate anyone by origin, race, marital status, age, political opinion, gender, creed, tribal association, union membership, social or economic status, pregnancy, sexual orientation, disability, illness, and nationality or immigration status, in accordance with the applicable laws of each country.
5. We condemn forbid and report all types of harassment in and out of our workplace.
6. Through open communication and proper mechanisms implemented in accordance with the provisions set forth in this Business Code of Ethics, We promote and facilitate the detection of illegal practices and/or inappropriate conduct.
7. Under no circumstance do we fire, humiliate, threaten, harass, interfere their right of employment or discriminate in any way any person who provides information, helps to provide information, or collaborates in an investigation where breach of the provisions of the company's Corporate Policies or violations to this code are presumed.
8. We prevent groundless allegations against an innocent person.
9. We comply with this code, the policies, rules and procedures established by Beaufond Plc's Management and with applicable laws, regulations and provisions of the countries where we operate, because we try to be an example of culture of business.
10. We do not engage in any activity intended to restrict trade or refuse to do business with customers or suppliers who share our ethical values and who have a solid reputation.
11. We comply with the anti-money laundering provisions enacted in the countries where we operate.



12. We do not comment (within our family or our society) about the activities that perform within the company or making any comments that may be detriment the company or its personnel.
13. We protect and preserves the tangible and intangible assets of the company, and makes an efficient use to contribute to achieve the business goals and do not use them for personal gain.
14. We do not disclose confidential information regarding processes, methods, strategies, plans, projects, technical or market data, or information of any other kind.
15. We do not use or the resources of Beaufond Plc for personal gain.
16. We try to avoid all contact with dishonest people who may damage or attempt to damage the company.
17. We do not do activities outside the company that may affect our capacity and willingness to meet the obligations that has in Beaufond Plc.
18. Those who are involved in political activities of any kind shall not involve Beaufond Plc while performing those activities by clearly stating that they are acting as individuals and not as a representative of Beaufond Plc, since the company does not influence, support, or contribute to politicians, political parties or candidates for political office.
19. We do not grant loans or finance to the Members of our Board of Directors or to any Senior Officers.
20. We report promptly any violations to this code.



VI. SPECIFIC RULES OF ETHICS:

1. *Relations with Costumers*

- 1.1** We serve our customers by giving them an equal and honest treatment in each transaction. We provides the products and services they acquired with the highest quality and in a timely manner, abiding at all times with the official regulations and Beaufond Plc's internal rules
- 1.2** We do not make false or misleading comparisons to similar products or services provided by our competitors



2 Competition:

- 2.1 We compete vigorously but always complying with all laws and regulations regarding fair competition in the countries where we operate.
- 2.2 We do not engage in any agreement which intends to limit the free interaction in the markets where we operate our business and we do not use inappropriate means to improve our competitive position in such markets.
- 2.3 Our personnel who have contact with representatives of their competitors show a professional attitude, complying with the principles and values of the company. We take care of their personal image and the image of Beaufond Plc.
- 2.4 In our interactions with our competitors, individually or in forums, and in Commercial or professional associations, we avoid discussing topics that could represent risks or contingencies for Beaufond Plc regarding compliance with economic competition laws or regulations.
- 2.5 To the extent possible, we avoid making comments or statements about our competitors, but when necessary, we do so fairly and objectively.
- 2.6 In no event, we attempt to obtain trade secrets or any other confidential information of their competitors through improper means.



3. Relations with Suppliers:

3.1 To create the Beaufond Plc supplier's portfolio, we take into consideration those suppliers who have proven they share the same ethical values we uphold and those who have a solid reputation of integrity and fairness.

3.2 Those that negotiate the acquisition of goods and services required by Beaufond Plc offer to and demand from the suppliers a fair and honest treatment in each transaction, always looking for the best interests of the company.

3.3 We assure fair participation and impartial selection of suppliers, based on quality, profitability and service criteria.

3.4 We do not comment with suppliers or people outside the company, the problems or weaknesses we found in another supplier.

3.5 We consider it illegal to ask for or receive incentives from suppliers to promote their selection.

3.6 Every year we request strategic suppliers to sign a letter corroborating their knowledge and compliance with the provisions of this Business Code of Ethics in all of their operations with Beaufond Plc and the observance thereof by the personnel with which they may interact.



4. Advertising and Marketing:

4.1 The communication through advertising and marketing of Beaufond Plc is:

- a) Legal, decent, honest, truthful and according to the principles of fair competition and good business practice.
- b) Prepared with an appropriate sense of social responsibility and based on the principles of honesty and good faith.
- c) Verifiable and exempt of elements that might induce an erroneous interpretation of the features of products and services provided.
- d) Respectful of moral values, avoiding unethical circumstances that challenge human dignity and integrity, or using symbols which are culturally offensive to a gender, race, religion, social class or political preference.



5. Relations with the Authorities:

5.1 We collaborate at all times with the competent authorities for the full exercise of their powers and act according to the law, in defense of the legitimate interests of Beaufond Plc.

5.2 We offer respectful treatment to the authorities and recognize their status as such, and we try to provide an atmosphere of sincerity and trust that may facilitate the discussion of issues and the establishment of agreements.

5.3 We comply with the requirements and recommendations of the authorities, trying to collaborate effectively in the fulfillment of their objectives, within the powers granted to them by the laws or regulations.

5.4 All agreements, proceedings and relationships held with the government or its officials on behalf of the company, are conducted in accordance with the applicable laws.



6. *Anti-Corruption:*

6.1 We follow fair and transparent business practices in order to assure compliance with local laws and regulations in the countries where we operate. We prevent bribery and extortion.

6.2 In our activities within and outside the company or in those performed on its behalf, we do not get engage, order, authorize, promise, conspire or induce corruption practices, either directly or through third parties.

6.3 We do not grant, accept or promise gifts, advantageous conditions, salaries, trips, fees or any other form of compensation to influence business decisions. Likewise, we do not give or get advantage or undue benefits of any kind, as well as nor do we carry out any other practice of bribery or extortion in the relationship with our clients, customers, suppliers, financial institutions, dealers, contractors, companies, authorities or government officials or any other person or entities with which we do business.

6.4 We formulated ' **Anti-corruption and Anti-bribery policy**' to its ethical business practices is at the heart of our Values



7. The Environment:

7.1 We recognize that protecting and defending the environment is our social commitment. In addition, we comply with environmental laws and regulations in countries where we operate.

7.2 Our environmental commitment is a responsibility shared by everyone in Beaufond Plc and no one understands it as somebody else's job.

7.3 We perform the necessary actions to guarantee that in Beaufond Plc:

- a) Effective procedures are implemented in response to possible emergencies, to minimize the impact of unpredictable incidents.
- b) Its energy sources are used efficiently and its consumption is monitored.
- c) The necessary actions are taken to prevent environmental accidents.

7.4 We have defined our '**corporate social responsibility policy**' with respect, including to it those responsibilities related to social and environmental aspects. The policy set out the measures taken for its implementation of that policy and shall provide for these to be adequately published.



8. Actions with the community

8.1 We recognize our commitment to the community is based on our background, principles and values, and we try to ensure the simultaneous generation of economic and social value in all our actions, for our growth and sustainability



9. Safety & Occupational Health in the workplace

9.1 We believe that safety and health in the workplace are as important as any other action or purpose of Beaufond Plc.

9.2 We take actions to guarantee that the following safety and health in the workplace are met:

- a) Provide and maintain safe and healthy workplaces.
- b) Provide and maintain a suitable work environment.
- c) Promotes security awareness among our employees.

9.3 We have formulated '**Health, safety and environment policy**' to

- i. create a significant and sustained impact on communities,
- ii. Retain overall and final responsibility for the health and Safety of our employees.
- iii. Provide opportunities for our employees, customers and partners to contribute to
- iv. these efforts through volunteering,
- v. play a significant role in promotion of inclusive growth through empowerment
- vi. of women, Health, Safety and socially and economically weaker sections of
- vii. the society where it operates,
- viii. Build partnerships and promote innovation through incubation of ideas
- ix. technology to address societal needs and
- x. Serve society, local and national goals in all the countries, we operate,



10. Conflict of Interest

- 10.1 The directors, executives, professionals, officers, employees and any related party who hold an economic interest in the companies which attempt to buy or sell goods or provide services to Beaufond Plc, has to report and we can carry out such transactions, provided that, relevant transactions have to be previously analyzed and approved by the Board of Directors, through the Corporate Practices Committee, Audit committee and minor transactions have to be reviewed and approved by the General Counsel and the Internal Audit Department; but shall refrain from deliberating or voting on the issue concerned in accordance with relevant legal provisions, except for everyday transactions entered into under normal conditions
- 10.2 For any of those types of transactions, we review the terms and conditions, and we make sure that in the process of negotiation of such transactions the director, officer or employee involved does not influence them.
- 10.3 The transactions executed by Beaufond Plc with these entities or individuals are competitive in terms of price and market. In the event that these transactions involve products or services which are not comparable to others on the market, the terms and prices should be reasonable and convenient for the interests of Beaufond Plc.
- 10.4 The directors, executives, professionals, officers and employees do not participate in or influence any decision process regarding the engagement of any business or companies owned by any of their first, second or third cousin related by blood or law.
- 10.5 The director, executives, professionals, officers and employees have no interests or investments that will allow them to have a significant influence on competing businesses.
- 10.6 The directors, executives, professionals, officers and employees, who participate in Boards of Directors of different companies other than Beaufond Plc, give notice of our participation to the Legal Department and the Internal Audit.
- 10.7 Officers and employees prevent that any family members or relatives (spouse, concubine and people who are related by consanguinity within the fourth civil degree or affinity to the third degree) work under their supervision, except for those cases authorized in writing by the Corporate Practices Committee of the Board of Directors.
- 10.8 Officers and employees carrying out surveillance, supervision, auditing or control activities over an area under the supervisions of a relative shall inform this situation to their supervisor so that they may be substituted from such responsibilities.
- 10.9 Directors, executives, professionals, officers and employees report, through institutional means, the cases where we are unable to perform our duties and responsibilities objectively as a result of pressure exercised by any third party using its title, position of authority or influence.



- 10.10 Directors, executives, professionals, officers and employees not intercede or meet request from superiors, subordinates, peers, family or friends if by doing this they would damage Beaufond Plc.
- 10.11 Every Director shall inform the Board of any other directorship, office or responsibility, including executive positions that he takes up outside the company during the term of his directorship.
- 10.12 Director should not accept more than a limited number of directorships in other companies and a full-time Company's director should not accept more than two other directorships as a non-company's director in a listed company. No Company's director should act as chairman of the board of more than one listed company.
- 10.13 Board members shall remain watchful regarding any conflicts of interest and should in any case refrain from:
- a. competing with the company;
 - b. demanding or accepting from the company any substantial gifts, whether for them- selves, their spouse, registered partner or other life companion, or a family member or relative by blood or marriage up to the second degree;
 - c. affording any unjustified advantages to third parties at the expense of the company;
 - d. profiting from business opportunities to which the company is entitled, whether for themselves, their spouse, registered partner or other life companion, or a family member or relative by blood or marriage up to the second degree.
- 10.14 In the event of a transaction between the company or another entity forming part of the same group and a natural or legal person linked to a shareholder represented on the Board, save in the case of current operations, the Board shall ensure that the transaction in question is concluded in accordance with normal market conditions.
- 10.15 The Board may consult an expert in order to satisfy itself that the terms and conditions of the envisaged transaction are in accordance with normal market conditions
- 10.16 Any operation or transaction, or series of linked operations or transactions, entered into between the company and a Director, or a company in which that Director has a direct or indirect interest, must be notified to the Audit Committee, even if it involves current operations or transactions entered into under normal conditions, where the value of those operations or transactions represents a significant percentage of the company's turnover



11. Information Management:

- 11.1 We responsibly obtain, secure, treat, protect and safeguard information as a company asset, responsibly, and in accordance to the methods established by the management of the company and to the applicable laws in each country where we operate.
- 11.2 Those individuals who, as a result of their responsibilities in Beaufond Plc, have access to privileged information pursuant to the Securities Law Regulations and other related provisions, comply with such regulations and provisions and also with the "Guidelines for Officers of Beaufond Plc and Subsidiaries regarding Privileged Information and the Purchase and Sell of Stocks and Other Securities", and they take any necessary actions to prevent the disclosure or leaking of such information to unauthorized persons.
- 11.3 Directors, executives, professionals, officers, Representatives and Consultants of the Company shall not carry out operations for personal gain or any third party gain, involving any kind of securities issued by Beaufond Plc whose price may be influenced by the privileged information they possess, until such information is not made public.
- 11.4 Directors, executives, professionals, officers and Employees who are also teachers, professors, speakers or students, may use only public information of the company in the performance of these activities.
- 11.5 We legitimately obtain personal data and manage it responsibly, ethically and in accordance to the privacy laws applicable in each country where we operate
- 11.6 The Board shall draw up a set of rules regarding transactions in the company's shares, covering behavior and statements relating to transactions in the company's shares or other financial instruments (hereinafter the "company's securities") performed by Directors, by persons exercising management responsibilities within the company, by persons closely related to the latter, and by any other persons required to comply with the same obligations, on their own account. The rules relating to transactions in the company's securities shall specify which information regarding these securities must be disclosed to the market.
- 11.7 The rules regarding transactions in the company's securities shall set the limits for the execution of transactions in the company's securities during a determined period before the publication of its financial results ("closed periods") or any other periods considered as sensitive ("black-out periods").
- 11.8 The Board shall make sure to appoint a Compliance Officer, whose obligations and responsibilities shall be defined by the rules regarding transactions in the company's securities. The Compliance Officer's responsibilities shall include ensuring that the rules regarding transactions in the company's securities are complied with. The Compliance Officer shall have access to the Chairmen of the Board and of the Audit Committee at all times
- 11.9 Any transaction in the company's securities performed by a person bound by the obligations mentioned in this Recommendation must be authorised by the Compliance Officer. The transaction shall be made public in accordance with the rules regarding transactions in the company's securities.



VII. RESPONSIBILITIES:

1. Board of Directors:

- 1.1 Approve the content of the Business Code of Ethics.
- 1.2 Authorize any amendments to the Business Code of Ethics.
- 1.3 Issue the Business Code of Ethics.
- 1.4 Assure, in coordination with the Officer's office, the disclosure of this code or any of its amendments, including its publication in the appropriate official format and in the company's website.
- 1.5 Ensure the directors to dedicate the time and attention required to his duties, and to limit the number of his other professional commitments (especially offices held at other companies) to the extent required for him to be able to fulfil his duties properly. The number of offices held shall depend on the nature, size, and complexity of the company's business
- 1.6 must exercise the mandate with integrity and commitment. Each shall represent the shareholders as a whole, and shall make decisions in the company's interest and independently of any conflict of interest.
- 1.6 *Shall be responsible for the management of the company. As a collective Body, it shall act in the corporate interest, and shall serve all the shareholders by ensuring the long-term success of the company. They shall consider corporate social responsibility aspects and shall take into account the interests of all stakeholders in their deliberations*
- 1.7 shall regularly evaluate the way in which it operates and its relations with the management.



2. Audit Committee and Corporate Practices Committee:

2.1 Supervise compliance with the Business Code of Ethics.

2.2 Submit to the Board of Directors proposals for amendments to the 'Business Code of Ethics'.



3. Board Members:

- 3.1 *The Board shall be composed of competent, honest, and qualified Persons. The choice of those persons shall take account of the specific features of the company.*
- 3.2 The Board establish the special committees (nomination) for the proper execution of its remit.
- 3.3 Inform the Chairman of the Board any aspects of this code whose interpretation or application is not clear enough to provide a solution.
- 3.4 Sign a letter of compliance with this Business Code of Ethics every year.
- 3.5 Report any possible violation of this Business Code of Ethics.
- 3.6 Shall be bound by a duty of loyalty towards the company and all of its shareholders.
- 3.7 provide complementary experience and knowledge that is useful to the company through their diverse backgrounds.
- 3.8 We formulated '**Corporate Governance Policy**' the system of rules, practices and processes by which a firm is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community and the responsibility of the Board.



4. Secretary of the Board:

- 4.1 Ensure that all of the Directors and Officers sign the letter of compliance with this code.
- 4.2 Promote the use of the Whistleblowing System between the members of the Board of Directors, by delivering a copy of the procedures of such system to each one and requesting a receipt acknowledgement.
- 4.3 Disseminate the "Guidelines for Officers of Beaufond Plc and Subsidiaries regarding Privileged Information and the Purchase and Sell of Stocks and Other Securities", among the members of the Board of Directors, by delivering a copy to each one and requesting a receipt acknowledgement.
- 4.4 Disclose any amendments made to this code among the members of the Board of Directors.
- 4.5 Report to the Audit Committee of the Board of Directors, any violations to the Business Code of Ethics reported in the Letters of Compliance received every year.



5. Executives and Officers:

- 5.1 Know and understand the Business Code of Ethics and the Corporate Policy Manual and confirm their commitment to comply with its provisions every year.
- 5.2 Assure that their employees know and comply the provisions of the code.
- 5.3 Support their direct employees to clarify questions and to comment and resolve any issues that arise from the interpretation of this code or its enforcement.
- 5.4 Report any possible violation of this Business Code of Ethics.



6. Employees:

- 6.1 Know and comply with the Business Code of Ethics and the Corporate Policy Manual.
- 6.2 Report any possible violation of this Business Code of Ethics



7. Internal Auditing:

- 7.1 Evaluate the compliance with the provisions of the Business Code of Ethics.
- 7.2 Report to the Audit Committee and the Corporate Practices Committee any violations to the code.
- 7.3 Follow-up on any actions taken by the management regarding the violations observed.



8. Human Resources

- 8.1 Promote the code among the personnel by delivering a copy to each employee, and requesting a receipt acknowledgement.
- 8.2 Include in any orientation programs the provisions contained in the Business Code of Ethics.
- 8.3 Promote any amendments made to this code among the employees.
- 8.4 Promote the Whistleblowing System between the personnel.
- 8.5 Disseminate the "Guidelines for Executives and Officers of Beaufond Plc and Subsidiaries regarding Privileged Information and the Purchase and Sell of Stocks and Other Securities", among the officers and employees who have privileged information, by delivering a copy to each and retrieving their acknowledgement.
- 8.6 Make sure that the supply areas promote the code and its amendments between our strategic suppliers, and that they request a receipt acknowledgement.
- 8.7 We formulated '**HR Management Policy**'



VIII. WHISTLE BLOWING SYSTEM:

At Beaufond Plc, we believe that Values are an essential and vital part of the life and culture of the corporation; therefore we take seriously any reports regarding illegal practices or inappropriate conducts observed within our organization.

Beaufond formulated '**Whistle Blower Policy**' - This is accomplished through Whistleblowing System, which is a mechanism distinguished by an open communication system to report any conduct or practice which is not aligned with our business ethics.



IX. SANCTIONS:

1.1 Violations to this code will be sanctioned.

1.2 The severity of such sanctions will depend on the seriousness of the violation committed and it will also depend if the violation come from an involuntary error, willful misconduct, and/or negligent action. We believe that not penalizing a violation to this code is itself a violation of it.

1.3 Sanctions range from a written warning, dismissal or criminal prosecution by the appropriate authorities, if required.

1.4 The sanctions will be imposed by the supervisor of whoever has committed the violation aided by the Legal and Human Resources areas.

1.5 In case of doubt about the existence of a violation to this code, before a penalty is imposed for the alleged violation to the suspected violator, any available evidence shall be validated and assessed by the Human Resources Department and Internal Audit Department.