

COMPETITION RELATIONSHIP STANDARD

1. PURPOSE

The purpose of this Standard is to prevent infringement of current antitrust legislation by establishing guidelines for the daily professional behavior of all Loma Negra C.I.A.S.A.'s employees (irrespective of hiring modalities) and subsidiaries (the "Company") towards relationship with competitors.

The purpose of the Antitrust Law No. 27,442 (the "Antitrust Law") is to promote fair competition in all markets and to defend the General Economic Interest. Such law is applicable to all our commercial relationships: negotiation with customers, distributors and suppliers, contact with creditors, marketing and sales promotions. The Antitrust Law prohibits adopting any behavior restricting competition, production, innovation, or resulting in abusive or discriminatory price increases to the detriment of consumers.

The purpose of the Antitrust Law is to ensure free competition, foster technological innovation, increase consumer election and foster lower price levels, which is achieved with competitive markets.

Violation of the Antitrust Law may have serious financial and administrative consequences that affect brand image and carry severe penalties. They include fines, restrictions placed upon the activities of the company sentenced, and even penalties for the individuals involved, as informed below.

The purpose of this Standard is to enable you to get acquainted with the general principles of the Antitrust Law and to provide you with recommendations on the appropriate behavior to follow. The Company's Legal Department is available to answer any questions.

Consequences to the Company:

- a) Fines: the companies violating antitrust rules are subject to severe fines, which represent a significant percentage of their revenues.
- b) Compensation for damages: people and/or companies harmed by violation of the Antitrust Law, might file judicial action and claim compensation for the damages suffered. Such actions might be collective claims brought on behalf of hundreds, thousands, or even millions of people.
- c) Reputation Risks: sentences for violation of the Antitrust Law tend to be widely disclosed and cause adverse publicity to the company. Furthermore, in many cases penalties are published in widely spread newspapers and in their web pages affecting the involved company's reputation even more.
- d) Waste of Company's resources: the investigations for violation of the Antitrust Law: a) result in a waste of lot of company's resources and b) require a great deal of time and energy of the company's staff taking part in the defense of the company involved.
- e) Prohibition on contracting with the Public Administration: the companies sentenced for violation of the Antitrust Law may be prohibited from participating in public bids promoted by any entity of the Public Administration, for a period of up to 8 (eight) years.
- f) Cancellation of Agreements: any contractual provision that violates the Antitrust Law may be considered null and void.
- g) Loss or non-granting of tax benefits to the Company: upon conviction of a company for violating the Antitrust Law, the Competition authorities may recommend that tax authorities not grant tax benefits to the convicted company.

Consequences for the natural persons involved:

- a) Fines: natural persons who violate the Antitrust Law may be sentenced to pay fines. This law does not differentiate between natural and artificial persons in terms of the amount of the fine.
- b) Compensation for Damages: people and/or companies harmed by violation of the Antitrust Law may file judicial action against all parties involved and claim compensation for the damages suffered. Such actions might be collective claims brought on behalf of hundreds, thousands, or even millions of people.
- c) Disqualification from engaging in commerce: persons sanctioned for violating the Antitrust Law may be declared disqualified from engaging in commerce for a term from 1 (one) to 10 (ten) years.

Therefore, the importance of preventing violations of this nature is clear. For this reason, all persons working for the Company must strictly comply with this Standard.

2. DEFINITIONS AND ACRONYMS

- Company: Loma Negra C.I.A.S.A. and all its subsidiaries.
- Competition: the process of competition between economic agents that operate in similar commercial segments.
- Free Competition: a market situation in which the different producers/sellers of a certain good or service act independently of the buyers/consumers, to achieve the objective of their business. In the free competition environment, companies are encouraged to operate efficiently, stimulating technological innovation and expanding the availability of better products for the consumer.
- Antitrust Law: Argentine law No. 27,442, which aims to prohibit and sanction Anticompetitive Behavior, related to the exchange of goods or services, that harm the General Economic Interest.
- General Economic Interest: the interest of end consumers, so that they do not pay, for a good or service, a higher price than they would pay if there were Free Competition in the market.
- Anticompetitive Behavior: those acts aimed at eliminating or in any way limiting Free Competition, and can be divided into two groups: Collusive Behavior and Unilateral Behavior.
- Collusive Behavior: agreements or understandings between competitors with the objective or effect of reducing/eliminating competition to obtain undue economic advantages.
- Unilateral Behavior: abusive behavior carried out by a company with a dominant position in a given market, which may be exclusionary (when they try to exclude competitors from the market) or exploitative (when they abuse consumers).
- Competitively Sensitive Information: business information that may influence the performance of competitors in the market, that is, strategic and confidential information on: price, discounts, costs, profit margins, commercial and marketing plans, investment plans and launch of new products, etc. The exchange of sensitive information with competitors is strictly prohibited.
- Leniency Program: Section 60 of Antitrust Law establishes that any (natural or artificial) person who was engaged or is still engaged in behaviors which fall into Section 2 of Antitrust Law (the so-called hard-core cartels - practices that absolutely restrict competition), may appear before the National Competition Authority, revealing such behavior and requesting that he or she be granted the benefit of exemption or reduction of the fines imposed for the Antitrust Law for this type of behavior.

In order to be eligible for the benefit of total exemption from the fine, the applicant for the benefit must meet the following requirements:

- a) to be the first among those involved in the behavior to provide information and evidence that allows the National Competition Authority to determine the existence of the practice;
- b) to immediately cease their actions. The only exception to this point is when the National Competition Authority expressly requires the applicant for the benefit to continue with the violating action or behavior;
- c) to cooperate at all times with the National Competition Authority until conclusion of the procedure;
- d) not to destroy, falsify or conceal evidence of the anticompetitive behavior; and
- e) not to disclose their intention to avail themselves of the benefit.

The applicant must appear before receiving the charge.

3. DUTIES AND RESPONSIBILITIES

Legal Department: it (i) implements and keeps this Standard up to date in accordance with the specificity of local legislation; (ii) conducts, together with the Compliance Department, the necessary training to ensure knowledge and compliance with this Standard; (iii) provides consulting services to other areas of the Company on issues related to this Standard; (v) defines and supervises monitoring of compliance with the Standard; and (vi) conducts communication processes related to this Standard.

Human Capital Department: it (i) is in charge of getting the documents defined by the Legal Department signed by all employees, and organizes and maintains these documents together with the docket of each employee; (ii) organizes and ensures that all selected Company's employees receive the necessary training carried out by the Legal Department; and (iii) organizes and ensures that each new employee is properly trained.

Ethics and Compliance Committee: it offers information, analyzes and directs matters to the different departments, as appropriate.

Audit, SOX, Risk and Compliance Management: it monitors compliance with this Standard.

4. CRITERIA AND RULES

4.1. Main Principles of Antitrust Rules

In general, practices that are harmful to Free Competition are divided into two large groups: (i) Collusive Practices, and (ii) Unilateral Practices.

The description of practices developed below is not exhaustive. In case of doubts, the Legal Department must be previously consulted.

4.1.1 General Guidelines

The Company must always act independently in relation to its competitors, whether in the private sphere or in negotiations with public bodies.

Agreements and/or exchanges of Competitively Sensitive Information with competitors are expressly prohibited.

Any understanding, plan, arrangement, or agreement (written or not) between the Company and its competitors, involving any of the following matters, is absolutely prohibited by this Standard:

a) Contacts with competitors

Agreements or understandings between, direct or indirect, competitors may cause competition concerns and must be cautiously approached. Various agreements/understandings with competitors are prohibited by the Antitrust Law.

The rules of Antitrust Law do not require a specific form for an agreement/understanding between competitors to be considered unlawful. Unwritten agreements (even a mere “gentlemen’s agreement”), as well as tacit agreements, may be sufficient to be considered anti-competitive behavior. Likewise, mere exchanges of Competitively Sensitive Information may constitute unlawful acts of competition.

When meeting with competitors, restrict your participation to topics where information is available in public sources, setting aside any discussion involving non-public information which, if shared, could result in competitive advantages.

Whenever possible, obtain the agenda prior to any event or meeting with competitors to ensure that there will be no discussions involving sensitive information. Share that agenda with Legal Department.

All meetings with competitors must be registered on the [Meetings with Competitors Record Form](#).

b) Pricing, production quotas and/or sales conditions

Express or tacit agreements between competitors that directly or indirectly influence the setting of prices, adjustments, discounts, production quotas and/or sales conditions are expressly prohibited.

c) Assignment of customers or sales territories

Agreements between competitors to: (i) divide markets and territories; (ii) allocate sales according to customers or products; (iii) control or limit the production of goods and services; (iv) limit or control the level of investments to be made by the company or technological development; or (v) impede or hinder the entry of new competitors into the market by creating barriers to such entry.

Agreements for the allocation of resellers or even agreements of “mutual respect” to the network of resellers of the competition are also prohibited by the Antitrust Law.

d) Collective refusal to supply or contract (boycott)

In principle, companies can freely choose their commercial partners as long as they do so independently and in a non-discriminatory manner.

Therefore, an agreement between two or more competitors to refuse to supply/contract or in any other way, to boycott a certain company/individual, making it difficult or preventing them from carrying out their commercial activities freely, is expressly prohibited, and constitutes a violation of the Antitrust Law.

It is also prohibited to develop any type of discussion, communication, understanding, plan, arrangement or agreement with a competitor to limit the number of suppliers or to refrain from developing business with a particular client or supplier.

e) Agreements on distribution of resellers

Agreements between competitors to assign resellers or even agreements of “mutual respect” to the competence reseller network are also strictly prohibited by the Antitrust Law.

f) Agreements on participation in public tenders

The execution of agreements between competitors to determine the result of a public tender constitutes a violation of the Antitrust Law.

The Company must always act independently in relation to its competitors, which includes:

- never entering into agreements with competitors to increase or fix prices and conditions;
- never entering into agreements with competitors to divide a set of tenders or lots of the tender;
- never entering into agreements with competitors so that they do not appear at the tender or withdraw a proposal submitted. Likewise, never agree not to appear or withdraw a proposal to favor the competition;
- never enter into agreements with competitors to submit “pro forma” proposals, that is, agreements to submit proposals with unduly high prices or with admittedly disqualifying defects;
- never combine rotations with competitors, that is, never enter into agreements whereby competition alternates between the winners of a specific tender. For example, companies A, B and C agree that the first tender will be won by company A, the second by company B, the third by company C and so on; and/or
- never make an agreement not to participate in tenders or to withdraw from the proposal in order to be subcontracted by the winners.

The only exception concerns the hypothesis in which a consortium/joint venture is established between the Company and some of its competitors, which must be previously submitted to the analysis and authorization of the Legal Department. In this hypothesis, the Company will act in the bidding process through the joint venture, which must comply with the rules listed above.

g) Exchange of sensitive information

The exchange of Competitively Sensitive Information between competitors may also result in a violation of the Antitrust Law and, therefore, must be avoided as much as possible. The exchange of Competitively Sensitive Information between competitors must only occur in the case of formal negotiations, duly validated in the manner approved by the Legal Department.

In this context, caution is necessary in contacts or discussions with competitors. Discussions on the following matters should be avoided:

- price, including discounts and bonuses granted to clients;
- costs, including freight costs, taxes and credits;
- profit margins;
- proposals and requests for quotations;
- relationship with clients;
- business plans;
- investment plans;
- launching new products; and/or
- participation in public tenders.

Information will also be sensitive depending on:

- age: information less than 12 (twelve) months old is considered sensitive;
- detail: the more detailed the information, the riskier its exchange; and

- source: if the origin of the information is a public source (e.g. a state website) it is not considered sensitive. If the origin is the company itself, the information should not be shared.

In the case of Mergers, Acquisitions and other legitimate contacts with the competition:

The exchange of Competitively Sensitive Information in the field of commercial transactions must also be treated with great caution, especially if the operation in question involves competing companies.

Commercial transactions involving the competition (mergers, acquisitions and joint ventures) require special care from the beginning. Clear and well-defined rules on the flow of information must be established beforehand. It is essential to limit the purpose of any potential exchange of information to what is strictly necessary for the conduct of business.

The Company's Legal department must always be previously informed about operations of this nature so that it can guide and structure the best way to proceed with the operation.

Operations of this nature normally involve the need for approval by the competition authorities.

Therefore, it is essential to consult the Legal Department to know how to proceed with regard to the exchange of information, before and after the signing of agreements.

How to behave if competitors contact you to discuss Competitively Sensitive Information:

In the event that you are contacted by a competitor seeking to enter into an agreement or exchange market information, make it clear that the Company prohibits such type of contact and immediately end the discussion. Make your refusal clear not only in emails and written communications, but also in telephone conversations.

If you receive sensitive commercial information from a competitor that you should not have received:

- answer immediately stating that you did not seek this information and notify your Legal Department; and
- do not disclose the information to others and consider whether your knowledge of the information should prevent you from making potential decisions or actions in the future.

Remember the following rules in contacts with competitors:

Rules to be respected in contact with competitors	
Never discuss with competitors existing market prices, discounts, bonuses, margins and costs. Never discuss or agree on prices or any price component with competitors. Never discuss or agree on proposals and requests for quotations or participation in tenders. Never provide price lists to competitors or any material/information from which competitors can have access to the prices set by the Company. Never request or accept from competitors the price list or any material/information containing information on prices set by competitors. Never discuss the relationship with clients, nor agree on the division of clients or areas of action. Never indicate to competitors that the company will accompany them in the event that they increase their prices. Never discuss or agree on business plans and/or investment plans independent of the Company.	It is permitted to obtain information on existing prices in the market from information voluntarily provided by clients or third parties for the purposes of monitoring market behavior. However, said clients/third parties may not act at the request of the Company or the competition. The exchange of information in the scope of commercial transactions with competitors is permitted, always within the limits of what is strictly necessary for the conduct of business and only after the Legal Department has approved the rules for the flow of information applicable to the specific case. Always consult the Legal Department in case of doubt. Keep contact with competitors to the minimum necessary.

h) Participation in Associations, Chambers and other entities

In principle, participation in associations, chambers and other entities (hereinafter, the "Entities") is legitimate and, by itself, does not constitute a violation of antitrust law rules. However, many illegal agreements between competitors have occurred within the scope of these Entities and, as such, have been sanctioned by competition authorities in Argentina and abroad.

Consequently, the Entities are under frequent analysis by competition authorities. Therefore, their participation in such forums must be considered with care.

The Company's participation in Entities must be evaluated and approved by the General Director of the Company, who, to do so, must take into account: a) their regular constitution and performance, in accordance with the laws in force in Argentina, and b) the usefulness for the Company of participating in the Entity.

The Company must only participate in Entities that are related to its sector and that have a role that is useful, legitimate and that promotes Free Competition.

The Company's employees must only represent the Company in meetings of Entities with which it is associated.

Discussions at Entity Meetings

It is important to bear in mind that the topics discussed within the framework of an Entity do not imply an exemption from the application of the Competition Law. The Entity, its members and even the company officials present at the meetings in which a violation of the Antitrust Law occurred, are subject to administrative investigations and their respective sanctions.

Thus, in order to prevent a violation of the Antitrust Law from occurring, it is important that the Company representative does not participate in any meeting that involves any of the following topics:

- pricing policies;
- past, current or future tenders;
- production or sales quotas, capacity, costs or volume;
- discounts and promotions;
- terms and conditions of sale offered to a particular client;
- identification of clients;
- assignment of clients or areas;
- rejection of contracts with other companies and/or
- distributors and/or clients.

Therefore, it is very important that communication within the scope of these Entities only contains information necessary for the ordinary operation of said associations, such as safety, environment, etc.

Participation of the Company in sector studies that involve data collection from member companies

The preparation of reports and studies with statistics on relevant aspects of the industry is one of the most important functions of an Entity. This exchange of information can result in favorable competitive effects, such as increased efficiency, cost reduction and increased work safety.

Many of the discussions within the Entities refer to common concerns of environmental nature, economic trends, public policies associated with the sector and labor issues, which normally do not represent violations of antitrust law.

However, the exchange of Competitively Sensitive Information between competitors is prohibited. Likewise, the Entity cannot prepare studies that disclose the following information: (i) current or future pricing policies of its associates; (ii) the market share of companies in the sector; (iii) the participation of its associates in past or current tenders; (iv) business costs of each of its associates; (v) discounts and promotions made by its associates; (vi) terms and conditions of sale offered to certain clients; and (vii) identification of its associates' clients.

All information shared must be at least 12 (twelve) months old.

Entities and their members may conduct studies on general historical price levels (i.e. at least 12 (twelve) months old), demand behavior and supply behavior. Such studies must be conducted with extreme caution, especially when they involve the collection and disclosure of commercially sensitive information, such as prices, market shares, costs, production levels and market growth estimates. It is important that such studies be based on statistical and historical data that, when submitted together, do not allow rival companies to identify trends that help them prevent the commercial behavior of their competitors.

It is therefore important to observe the following rules regarding the procedure for collecting and disseminating data presented to Entities and associations:

- never provide Competitively Sensitive Information of the Company in meetings of the Entity;
- never provide Competitively Sensitive Information of the Company in communications in which officials of other competing companies are copied, even if they are acting on behalf of the Entity;
- ensure that the Competitively Sensitive Information sent by the Company is addressed to a person of the Entity who has no employment relationship with any competing company; and
- never report current or future commercial data of the Company, but rather submit “historical” data (i.e. older than 12 (twelve) months).

It is essential that the reports/studies prepared by the Entity comply with the following rules:

- they refer only to “historical” data (i.e. older than 12 (twelve) months);
- disclose information only in an aggregated form, i.e. without further detail. The more aggregated the information, the lower the risk of anti-competitive effects. The information should not allow the identification of individual companies or possible commercial practices of competitors; and
- keep the identification of the participating companies and their data under absolute secrecy.

Participation of the Company in Entities that prepare price lists

In the cement and concrete markets, the preparation, disclosure and implementation of price lists by Entities constitutes illegal competition, since said lists can enable and influence the adoption of uniform prices among the competition. Therefore, persons linked to the Company must not participate in any discussion aimed at the preparation, disclosure or implementation of price lists, even if they are only for information purposes.

Remember the following rules in meetings of Entities:

Rules to be respected in meetings of Entities	
Never get involved in activities between competitors prohibited by the Antitrust Law. Do not participate in meetings of Entities whose purpose, object or consequences are to restrict competition. Avoid any discussion or behavior that could lead to accusations of prohibited agreements. Be careful with informal discussions. Never exchange information on prices, capacity/production, sales conditions, or any other type of commercially sensitive information. At meetings, do not allow other persons present to assume that your silence implies agreement with a proposal to coordinate market action. Clearly state your opposition and withdraw from the meeting.	Make sure that you receive and/or prepare, as appropriate, prior to any meeting of an Entity the agenda indicating the topics to be discussed, review the agenda with the Legal Department and ensure that the agenda is strictly respected. Also ensure that minutes of the meeting are prepared and that these minutes are circulated among all those attending the meeting. Ensure that the minutes of the meeting are distributed, recorded and signed. Be cautious about informal meetings and conversations during the breaks between meetings. Formally register your objection in the case of activities potentially contrary to the rules of competition. It is necessary to make it perfectly clear that representatives of the Company will not participate in such contacts, requiring the others present to immediately suspend the discussion. In the event that such discussion is not immediately terminated, withdraw from the meeting, record your objection and withdrawal in the minutes, and immediately notify the Legal Department. Apply the same principles in discussions outside the Entities (such as lunches and dinners). Joint discussion of technical standards in the industry is not, in principle, risky as long as it is scheduled for reasons of safety, quality or other benefits to consumers and not to exclude potential competitors.

	Joint activities before authorities (such as discussion of legislative initiatives) are also legitimate, as long as they do not involve sharing sensitive information with competitors.
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In the event that Minutes are drawn up in the meetings or work mentioned above, provide a copy to the Legal Department for filling purposes.

In any contact with competitors, properly complete the [Registration of Meetings with Competitors](#) form by clicking here.

i) Contacts with Resellers

In contact with resellers, it is expressly prohibited to establish different criteria for treating resellers on an equal basis, as well as to arbitrarily intervene in the management and administration of the resellers' business.

Agreements on Prices

Initially, it is important to note that the exchange of information on prices with resellers and agreements on some price components with resellers are not prohibited. However, the imposition of the resale price or minimum resale price on the reseller constitutes a violation of the Antitrust Law.

Resellers must be free to make completely independent decisions as to the resale price of the Company's products. Even if not prohibited, in certain cases, preparing a list of indicative or recommended prices could be construed as illegal by making those prices mandatorily restrictive (particularly by offering a reward to retailers who apply them or by penalizing those who do not apply them).

Thus, any behavior that could be interpreted as an effort to require a reseller to respect a certain price level imposed/recommended by the Company must be avoided.

In the event that the Company understands that the resale price suggestion is decisive for its commercial policy, the Legal Department must be consulted beforehand.

Territorial Restrictions for Resellers or Distributors

A company may offer its products exclusively through selected distributors and/or resellers in certain territories. Generally, it is permitted for companies to select resellers and distributors for specific geographic areas and determine that such areas be the primary focus of attention.

However, such resellers and/or distributors should not be prevented from marketing the product in question outside their territories, except in cases where the specific characteristics of the business and the extent of the restriction justify such a practice. Any decision on possible territorial restrictions must first be reviewed by the Legal Department.

Restricting Resellers or Distributors to certain Customers

The limitation on a reseller or distributor being able to sell only to certain customers is governed by the same rules as territorial restrictions.

It is permitted to select distributors specializing in certain types of customers and designate such customers as the primary focus of attention.

However, such resellers and/or distributors should not be prevented from marketing the product in question to other customers, except in cases where the specific characteristics of the business and the extent of the restriction justify such a practice. Any decision on possible sales restrictions to customers must first be reviewed by the Legal Department.

Exclusivity Agreements

Exclusivity agreements entered into with distributors and/or resellers may raise questions from the point of view of competition protection in the event that they constitute the creation of barriers to the expansion or entry of competitors. Similarly, long-term agreements in which a distributor is bound to acquire a substantial part of the products from a single seller may be questioned by competition protection authorities.

Whether or not the practice is illegal will basically depend on the availability of other resellers/distributors in the market that can be used by the Company's competitors.

In the event that you wish to enter into exclusivity or long-term contracts with resellers/distributors, request prior approval from the Legal Department.

Refusal to Supply to a Distributor or a Reseller

The Antitrust Law determines that the refusal to contract under normal market conditions may constitute anti-competitive behavior.

Always consult with the Legal Department for the adoption of the best procedures when you understand that the Company must reject a business with a certain distributor or reseller.

Price and Service Discrimination

It is illegal for a company that has a dominant position to treat its customers differently, unless there is an objective reason to do so. The legal prohibition of discriminatory practices relates primarily to differences that directly affect the sales prices or the prices of services established by the company. It also refers to differences in treatment regarding credit limits or payment conditions.

Therefore, it is important for the Company to have clear rules on what requirements justify the differentiation in price conditions, tariff conditions and payment methods between different customers. In case of doubt, consult with the Legal Department.

Rebates and Discounts

Rebates and discounts must be based on efficiency improvements and be related to identifiable cost savings, for example, in relation to volumes.

Rebates based on customer loyalty, for example, rebates conditional on the customer's obligation to purchase all or a substantial part of the product requirements from the supplier during a certain period, are illegal.

Target-based discounts, i.e. those subject to the achievement of targets, are generally illegal. Discount systems that refer to market share targets or minimum market shares are prohibited.

Progressive quantitative discount systems, such as, for example, discount systems that involve a price scale, whereby the rate of rebate depends on the total amount purchased by the customer during a given period, are generally permitted.

Unwritten, non-transparent or subjective rebate systems are also illegal. Remember the following rules when contacting distributors and resellers:

Rules to be respected in contact with distributors and resellers	
Do not set a resale price for distributors and resellers.	Always justify why exclusive distribution is chosen.
Do not set a minimum resale price for distributors and resellers	Always justify the differential treatment granted to a certain distributor or reseller.
Do not set a profit margin for customers and distributors, nor the discount that they can grant.	Always discuss with the Legal Department the negotiation of discounts or rebates set by exclusivity or loyalty.
Do not demand the adoption of a resale price by means of threats, intimidation, warnings and penalties.	
Do not force the distributor/reseller to resell the company's products in a certain territory only and/or exclusively, except in justifiable cases and previously approved by the Legal Department.	
Do not force the distributor/reseller to resell the company's products only to exclusive customers, except in justifiable cases and previously approved by the Legal Department.	
Do not offer different conditions for resellers/distributors in the same situation.	
Do not refuse to negotiate with a third party (client, supplier, partner, etc.) interested in contracting with the Company under normal market conditions.	

j) **Unfair competition:**

Acts considered as unfair competition are expressly prohibited, for example:

- providing, publishing or disclosing, by any means, false information about the competition or information;

- imitating facades, packaging, product images, internet domain, brand, expression or distinctive advertising sign used by a third party with the aim of confusing the consumer or using any other fraudulent means to divert customers from a third party for one's own benefit;
- using a third party's brand, patent or other intellectual property without due authorization;
- making misleading advertisements for products, even by omitting essential information that may lead the consumer into error; and/or
- obtaining confidential information from third parties by illegal or fraudulent means.

4.2. General Guidelines to be observed in the Definition of the Company's Commercial Strategies and Plans

Violations of Free Competition are not restricted to contacts with competitors, Entities and resellers, but also include the adoption of commercial strategies that may have harmful effects on the market.

a) Tied Sale

The Antitrust Law prohibits the practice known as "tied sale". A tied sale is a sale in which a seller forces a buyer to purchase a second product (or service) not really required in addition to the one they want. In this way the seller conditions the sale of one product on the buyer also purchasing a second product. If the seller has a strong position in the reference market, this may negatively affect competition in this market.

b) Abusive Prices

It is important to explain clearly that competition authorities do not have the power to determine what prices a company can set. However, when a company has a dominant position in a market, the authorities have the power to sanction price increases that they consider abusive. Therefore, it is important for the company to clearly record the reasons justifying the adjustments to the pricing policy. Some of the reasons accepted by the competition authorities are: rising raw material prices, increased logistics costs, investment expenses in research and development, among other factors.

c) Predatory Pricing (excessively low prices)

It is prohibited to set prices below production costs. Even if, in a market economy, the sale of a product at a low price as a result of technical improvements or optimized management or marketing processes seems to comply with the principle of freedom of enterprise and the obligation of competitiveness, this is not the case when a company offers products at a price that only covers part of the costs of its products with the sole objective of eliminating competitors, attracting customers and ensuring an advantageous position over its competitors. Price-fixing practices that result in the elimination of a company or one of its products from a market or that prevent the entry of a company or one of its products into a market are prohibited.

d) Creating Barriers to Entry, Operation or Development of Competition

The creation of barriers to entry, operation or development of competition is considered illegal.

Thus, it is not permitted, for example, for a certain producer to sign an exclusivity agreement with the sole supplier of a certain raw material. Such behavior would exclude any possibility of a new competitor entering the market, or of existing competitors remaining in the market. It is important that the Company always tries to act in the interest of its own businesses, without having to harm the competition.

Always consult the Legal Department before signing exclusivity contracts, whether with any supplier or client and before adopting any behavior that limits competition in the market.

4.3. Implementation and Monitoring of Compliance with this Standard and Applicable Legislation

The supervision of strict compliance with this Standard by employees will include periodic internal audits, constant monitoring of the implementation of market programs and commercial practices, and periodic review of procedures and behavior.

Telephone conversations, emails and other forms of communication that involve the use of tools provided by the Company may be verified at any time. The same applies to physical and electronic documents of People who work for the Company, the Company's vehicle or its work tools (computers, cell phones, landlines and others).

Internal checks may be carried out by the Audit, SOX, Risk and Compliance Department with the support of the Legal Department and external lawyers or auditors, in order to verify compliance with this Standard.

Any Company employee who identifies a situation that may constitute a violation of the Antitrust law must report the incident to the Legal Department or use the Ethics Line. All complaints will be investigated in accordance with the Ethics Line Management Protocol.

It is important to note that, although monitoring by the Company is restricted to the place and work tools, competition authorities may carry out inspections with greater powers.

These inspections, which are unannounced, allow the authorities to take copies of documents and sometimes even take those documents, seize computers, telephones and private agendas, interview Company personnel and carry out exhaustive investigations on electronic equipment.

There is no limit as to the type of company affected by these visits. Not only can it be a company directly suspected of anti-competitive practices, but it can also be a third party, in particular a competitor or a client. Likewise, the inspection can take place at the company's registered office or at a branch, point of sale, etc. The visit can take place at any time during the investigation procedure and a company can be subject to several inspections during an investigation procedure.

4.4 Communication and Training

This Standard must be widely communicated to all Company employees.

In case of doubts about the content of this Standard, consult the Legal Department. Failure to understand any point of this Standard will not exempt Persons working for the Company from the consequences of non-compliance.

All employees who are directly or indirectly involved in commercial activities and/or have contact with clients, distributors, suppliers and/or competitors must: a) familiarize themselves with and strictly adhere to the letter and spirit of the Standard and all laws related to Free Competition; and b) be periodically trained in the proper use and application of this Standard.

Ethics Line

To the extent permitted by applicable laws and regulations, an employee who witnesses behavior that he or she considers inappropriate and that falls within the scope of this Standard may report it through the Company's Ethics Line (the "Ethics Line").

4.5 Mechanisms for Discipline and Correction of Violations of this Standard and Applicable Legislation

Suspected violations of this Standard and the Antitrust Law will be examined by the Legal Department and by Human Capital, Audit, Internal and Compliance for that purpose, who must hear all those involved before making any final decision.

In the event that the violation is confirmed, the responsible managers and/or officials will be subject to internal disciplinary measures, which will be imposed by the Company taking into consideration the circumstances of each specific case, irrespective of the possible sanctions provided for in applicable laws by the authorities.

These disciplinary measures may range from verbal warnings and mandatory participation in competition training programs, among others, to dismissal for just cause.

In defining the applicable sanction, the Competition Authority will take into account the seriousness of the violation committed, considering mainly the following factors:

- nature of the practice: whether the violation is only of this Standard, whether it constitutes an administrative violation or anti-competitive behavior;
- consummation: whether the practice was implemented or not;
- scope: level of effect on the market;
- impact on the Company's image;
- personal advantage: whether the person responsible had or would have any advantage with the practice; and
- good faith: whether the person responsible was aware of the prohibited nature of the behavior.

The disciplinary measures applied by the Company do not limit or replace the eventual sanctions that may be imposed by the authorities based on the applicable law, nor do they eliminate personal liability for damages caused to the Company.

Violations of this Standard and current legislation will not be tolerated.

5. ANNEXES

Not applicable



6. RECORDS

Not applicable

7. HISTORY

Version 1.0: Prepared by María Virginia Linaza. Date: February 24, 2025.