



BYMA

Bolsas y Mercados
Argentinos

INTEGRITY OFFICER TERMS OF REFERENCE

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1. General Provisions

1.1. These Terms of Reference (hereinafter “ToR”) contain guidelines for the Integrity Officer in charge of the Integrity Program (hereinafter the “IO”), as appointed by the Board of Directors of Bolsas y Mercados Argentinos (hereinafter, “BYMA” or the “Entity”). These ToR complement the provisions in force for the applicable matter, including any laws, regulating executive orders, regulations of Comisión Nacional de Valores (hereinafter “National Securities Commission” or “CNV”), BYMA By-laws, Regulations and Codes (hereinafter the “Rules”).¹

1.2. All the Terms of Reference will be published in BYMA’s website.

2. Purpose

In order to ensure the compliance of anti-corruption regulations, and notwithstanding the functions of the Ethics and Audit Committee, BYMA’s Board of Directors shall appoint an Integrity Officer who will be in charge of the development, coordination and supervision of BYMA’s Integrity Program.²

This appointment of an Integrity Officer by BYMA Board of Directors evidences BYMA commitment to comply with the legal provisions on anti-corruption and ethics in force and applicable to BYMA’s business activities.

Staff training and the creation of a long-lasting corporate ethical culture integrated across all levels of the Entity constitute a key element. In this sense, and in order for the elements of the integrity system to be effective, it is essential to drive a distinguished position within the Entity to reach their effective implementation and execution.

Therefore, the effectiveness of Integrity Programs depends to a great extent on the appointment of an officer responsible for the implementation and execution of said elements within the Entity. It is essential that the officer appointed meets the

1. On March 1st, 2018, Law No. 27.401 on Corporate Criminal Liability (hereinafter the “Law”), entered into force, and this enactment meant a significant change in the paradigm of criminal liability of corporations. The Law formally incorporates the possibility for corporations to develop Integrity Programs as a way of preventing, detecting and eventually, mitigating corrupt practices. It also states the possibility of appointing an internal officer as the individual responsible for said program. Although the elements included in the Law for Integrity Programs are not mandatory, their inclusion mean an incentive and a benefit for the companies that justifies their implementation in order to achieve appropriate mechanisms to prevent the crimes covered by the regulations in force. The Law suggests appointing a responsible officer for the Integrity Program, except for contracts with the National Government, in which case said appointment is mandatory.

2. Argentine Law No. 27.401, section 22. Integrity Program. Corporations included in this regime may implement integrity programs consisting in a set of actions, mechanisms and internal procedures to promote the integrity, supervision and control, aimed at preventing, detecting and correcting misconduct or irregularities and illegal acts contemplated in this law. The required Integrity Program shall be drafted considering the inherent risks of the business activity developed by the corporation, its size and financial capacity, in accordance with the legislation in force.

requirements and characteristics established below in order to efficiently fulfill his/her duties and obligations.

Consequently, the appointment of an Integrity Officer goes beyond the application of mere practical measures of prevention and control, since BYMA considers this is an objective of Corporate Culture that permeates the whole Entity, providing value and reliability to the corporate structure.

3. Main Duties and Responsibilities

The Integrity Officer's main duties and responsibilities are:

3.1. To develop, coordinate and supervise the Integrity Program. 3

3.2. To coordinate the implementation of the measures and actions to be taken so as to implement the Integrity Program.

3.3. To maintain the Entity in line with the ethical values and principles established in the Integrity Program.

3.4. To cooperate in the updating process of the Integrity Program.

3.5. To contribute in the development of a long-lasting corporate ethical culture.

3. Argentine Law No. 27.401, section 23. Contents of the Integrity Program. According to the provisions stated in the 2nd paragraph of the previous section, the Integrity Program must include, at least, the following elements:

a) A Code of Ethics, a Code of Conduct or Integrity policies and procedures, which shall be applicable to all directors, managers and employees, regardless of their position or function, to govern the planning and execution of their tasks or duties, in order to prevent the crimes stipulated in this law;

b) Specific rules and procedures to prevent illegal acts in tendering or bidding processes, in the enforcement of administrative contracts or in any other business interaction with the public sector;

c) Periodical training courses on the Integrity Program for directors, managers and employees.

Furthermore, the Integrity Program may also include the following elements:

I. A risk analysis to be performed on a timely basis and the subsequent customization of the Integrity Program;

II. Visible and explicit support to the Integrity Program by the Directors and the Senior Managers;

III. Internal reporting mechanisms to report suspected misconduct, which shall be available to third parties and shall be appropriately publicized;

IV. A protection policy to avoid whistleblowers retaliation;

V. An internal investigation system that respects the rights of the persons under investigation and imposes effective penalties in case of Code of Conduct or Code of Ethics violation;

VI. Procedures to verify the integrity and track record of third parties or business partners, including suppliers, distributors, service providers, agents and intermediaries, at the moment of hiring their services during the business relationship;

VII. Due diligence during the processes of corporate reorganization and acquisitions, in order to report suspected misconduct, illegal acts or the existence of weaknesses in the legal entities involved;

VIII. Continuous monitoring and evaluation of the effectiveness of the integrity program;

IX. An internal officer in charge of the development, coordination and supervision of the Integrity Program;

X. The fulfillment of the regulatory requirements established by the respective authorities at national, provincial, municipal or local level governing the business activities of the corporation in relation to these programs.

3.6. To propose to the Ethics and Audit Committee, for its consideration and submission to the Board of Directors, the implementation of any amendments to be made to the Code of Business Conduct and Ethics, so as to be in line with the Entity's objectives as regards Ethics within the framework of the Integrity Program.

3.7. To inform the Ethics and Audit Committee about the activities performed and any findings detected within the framework of the Integrity Program.

3.8. To submit the Ethics and Audit Committee any violations to the Code of Business Conduct and Ethics.

3.9. To supervise and coordinate the Assessments on Effectiveness of the Integrity Program.

3.10. To manage the ethics compliance helpline in place, in accordance with the provisions of point 10 of the Code of Business Conduct and Ethics.

3.11. To be aware of BYMA operations in order to have a better understanding of the business and develop a culture based on ethical principles.⁴

3.12. To propose issues to be discussed, independently, within the framework of the Integrity Program, without conflict of interest.

3.13. To promote and maintain the Entity standards in accordance with the Integrity Program.

3.14. To be a guide and adviser for Directors and executives in matters related to ethics, values and principles within the framework of the Integrity Program.

3.15. To implement measures and initiatives to enhance BYMA's corporate ethical culture.

4. Integrity Officer's characteristics

The following characteristics are required in order for the IO role to be effective:

4.1. Independence

The IO must make decisions with no external pressure; therefore, the following criteria must be clearly defined by the Senior Management and the IO, with no conflicts of interest arising thereto:

who is the person in charge of determining the Integrity Officer's remuneration and compensations,

⁴ A good Corporate Governance builds confidence by attracting investment and strengthening organizations' corporate strategy. Some of the fundamental pillars of organizations with the best Corporate Governance are: a solid Integrity Program and, in order to enhance its effectiveness, the key role of the Integrity Officer. Furthermore, the organization will have the best Corporate Governance if it empowers the Integrity Officer to perform a leading role, which gives the Integrity Officer direct access to the Company's Senior Management.

who is the person who defines the Integrity Officer objectives within the Entity.

4.2. Authority

The Integrity Officer's position within the Entity must be significant, so the IO's recommendations and decisions get to be known by the corresponding hierarchical level (see item 5 on Integrity Reporting Mechanism). 5

4.3. Adequate resources

The Integrity Officer must have adequate and sufficient resources according to the Entity's size, the number of employees and other Entity's characteristics.

The IO must count on adequate human resources with appropriate skills, experience and training.

In certain cases, it may be necessary to request external business advisors to provide counseling services.

4.4. Information access and authority to ask for information

The Integrity Officer may ask any person in any Area or Department within the Entity to have access to any information the IO deems necessary.

Furthermore, the IO must have access to all databases and software, provided the IO shall always be acting under the scope of its duties and responsibilities.

4.5. Senior Management freedom of information and integrity reports

The Integrity Officer has direct access to BYMA's Senior Management in order to keep them informed on any misconduct or similar matter the IO may have detected.

5. Integrity Reporting Mechanism

The Integrity Officer reports to the Ethics and Audit Committee.

6. Integrity Officer's profile

The Integrity Officer shall be appointed by the Board of Directors, and the skills requirements for the Integrity Officer are:

1. Academic education;
2. Background and reputation;
3. Knowledge of the company/business;
4. Positive relationship with the Senior Management;
5. Positive relationship with stakeholders;
6. Knowledge of the Principle of Proportionality and Balance; and

6. The Authority aspect is related to the Integrity Officer capacity to communicate and assert his/her values, opinions and recommendations in the highest levels of the Entity. That is to say, the IO must have access to, and influence over the Board of Directors, something that depends greatly on the hierarchical position of the IO within the Entity.

7. Firmness and integrity.

CONTROL DE CAMBIOS

FECHA	CAMBIO-MOTIVO
August 2022	<i>The content of the document has been updated</i>