

The code of
Conduct of
SMS Latinoamérica



SMS Latinoamérica Network
We make it possible

Letter to all members of SMS Latinoamérica about our Code of Conduct.

The philosophy behind SMS Latinoamérica is unique. We have built an organization based on professional excellence in the fields of economics, finance and business organization, respectful and appreciative of the subtleties of Latin America and the Caribbean.

As a result, we have created an organization dedicated to meeting the needs of companies both within and outside the region that require professional services provided by specialists who have been trained, developed, and organized in this part of the world.

SMS Latinoamérica has earned respect in the business arena for its intellectual excellence, customer service and professionalism.

Our Code of Conduct sets out the basic parameters on which our business is based, which is the foundation of our reputation and the reason why our clients choose us.

Today's hypercompetitive world challenges us to pursue specific goals with an approach closely linked to clear ethical definitions, business opportunities that are mindful of the geographical area in which we live, and the needs of the inhabitants of this part of the continent, with which we are particularly familiar.

Therefore, strict compliance with this Code of Conduct is essential to maintain the reputation we have earned, which is why the paragraphs of this document represent more than just words in an ordinary document. It is the essence of SMS Latinoamérica and, thus, we urge each and every one of its members to make its philosophy a personal commitment.

Furthermore, these words will enable those who read them to understand that our goal is to deliver quality and efficiency in all our activities and, as a result, exceed our clients' expectations.

Best regards,



Pablo San Martín
Chairman

Background

The Code of Conduct of **SMS Latinoamérica** is the result of in-depth research on the cultures and business practices in the region, the findings of which have been adapted to the ethical standards of IFAC (International Federation of Accountants) and the codes of ethics governing each of the member countries, which are essential tools for every professional practice.

Therefore, these standards set forth in the Code of Conduct, which are mandatory in all actions taken by member firms in Latin America and the Caribbean, are principles that affect the professional work as well as the personal attitude of each of its members.

This code is based on our organization's values and, consequently, is not a series of principles imposed by the Board of Directors, but the result of the conviction of each of its members, regardless of their level of responsibility or hierarchy.



1. Values

SMS Latinoamérica defines in its very name who we are and where we operate, which states the commitment we have undertaken since its foundation to promoting our continental philosophy, which emphasizes the region's professional freedom and independence.

Our philosophy is based on acknowledging that our countries are part of a new world, which has forged its history and designed its future over the last 150 years with the aim of achieving social and economic development free from outside influences, but with a strong entrepreneurial spirit that links our activities with the rest of the planet's inhabitants, without distinction based on hierarchy or ideology.

Therefore, our values are:

- 1.1. Basing our activities on a profound respect for the individual, the essential foundation of any organization.
- 1.2. Leading professional work in the region that we have defined as our responsibility.
- 1.3. Providing professional services with the best quality standards.
- 1.4. Making every effort to recruit the most highly qualified professional staff and providing them with comprehensive ongoing training.
- 1.5. Prioritizing professional action before any other economic objective.
- 1.6. Respecting ethical and legal standards in all individual or group actions, both at a professional and personal level.
- 1.7. Defending diversity, ethnic roots, linguistic ties and regional history.

1.8. Making honor, integrity, independence and freedom the hallmark of each member of the organization.

1.9. Promoting professionalism, autonomy, ethics and respect for the environment at all professional levels.

1.10. Upholding the reputation of the regional firm, its member firms, and all its professionals.

Consequently, each and every one of the professionals at SMS Latinoamérica is committed to acting in accordance with and upholding this Code of Conduct. Regardless of hierarchy, geographical location, or specialty of practice, every individual, by virtue of being part of SMS Latinoamérica, is subject to this Code of Conduct.

This Code of Conduct will serve as a model for all types of activities, and those who are responsible for directing, coordinating, or supervising tasks within each office must exert their leadership so that its provisions are applied without error.

We understand that no violation of its provisions or the philosophy behind it could be committed. Therefore, every member of SMS Latinoamérica shall be responsible for reporting any violation of this Code that may have occurred in any area.

Such violations may result in the termination of the employment contract of those who may have violated this Code of Conduct. Therefore, each member of SMS Latinoamérica has acknowledged in writing confirming their understanding and commitment to apply the principles contained in this Code.

2. Each Individual

2.1. We respect each individual as a unique, original, and irreplaceable being and the foundation of our organization, through mutually built trust.

2.2. We encourage these individuals to develop their work together with others, forming groups that are based on this individual respect as well as on the global objectives of SMS Latinoamérica.

2.3. We are committed to applying the best technical knowledge and academic values to build solutions that generate the most efficient result for the clients who entrust us with their work.

2.4. We ensure that all members of the organization receive ongoing training so that they can carry out their work with the most up-to-date technical tools.

2.5. We are aware of the diversity and individual values of each professional, but we encourage each member to align with the common goals and values of our organization.

3. The working groups

3.1. Our working groups are required to be as efficient as possible in their professional work, so that they can meet the needs of each client.

3.2. We encourage interpersonal and intergroup communication so that the greatest teamwork efficiencies arise from such interaction.

3.3. Each member of the working groups must make an effort to seek assistance from colleagues or supervisors if they have any questions regarding the interpretation of this Code or any other professional questions that may arise in the course of their work.

3.4. All members of the organization are required to exercise sound judgment and responsibility in reporting any concerns or warnings regarding issues that could be problematic for SMS Latinoamérica, its members, or its clients.

4. Each Form

4.1. There is no responsibility or priority other than complying with the professional responsibility we assume towards our clients.

4.2. No economic or other argument shall take precedence over compliance with the ethical standards that each country imposes on professionals, and the international standards set forth in the Code of Ethics of the IFAC (International Federation of Accountants), which SMS Latinoamérica endorses.

4.3. Careful analysis of the procedures for accepting work from clients is required, as this is a vital procedure for ensuring the ethical and moral standards of our activity.

4.4. We insist on strict compliance with the laws, regulations, and standards that govern each country as a fundamental element of compliance for each individual and the firm as a whole in order to be part of the organization.

4.5. The standards of SMS Latinoamérica and this Code of Conduct are the principles that should guide the activity of each firm, with the primary goal of protecting its reputation, integrity, and the professional responsibility it has earned.

4.6. We categorically reject any work or client whose performance or activity could result in questionable behavior in accordance with the legal or ethical standards of a country or community, or that does not comply with our Code of Conduct.

4.7. Each partner shall take responsibility for every task undertaken, with professional dedication and a commitment to excellence in ensuring that the work undertaken is of the highest academic quality.

4.8. It is essential that each partner take responsibility for properly documenting the work under their supervision and maintain those records for the period of time established by local regulations, without delegating the need to supervise the work of their teams.

4.9. In the event of work that is entrusted to be performed jointly with professionals who are not part of SMS Latinoamérica, independence of judgment and the defense of professional autonomy must be maintained, even if this means issuing reports that do not agree with the client's criteria.

4.10. The professional fees policy is based on a well-founded estimate of the professional hours that each task requires, as well as the expenses incurred to perform them.

4.11. Under no circumstances will SMS Latinoamérica approve projects or budgets that include professional fees generated solely by inducing a client to enter into a transaction on the grounds that it is beneficial to them.

5. SMS Latinoamérica

5.1. Under no circumstances will SMS Latinoamérica approve projects or budgets that include professional fees generated solely by inducing a client to enter into a transaction on the grounds that it is beneficial to them.

5.2. In order to achieve this outcome, we are committed to working continuously with the regulatory bodies of the profession and those that regulate our clients' activities, in order to constantly adapt our working practices.

5.3. We acknowledge that our reputation is based fundamentally on the technical level of our professionals and on customer service. Nothing may divert the members of SMS Latinoamérica from these objectives.

5.4. We defend the professional competencies of the countries of Latin America and the Caribbean as the essence of our organization, and we work to combine our efforts toward the sustained development of the countries in the region.

5.5. Our responsibility extends to maintaining a healthy environment for all inhabitants of the region, supporting their education, and strengthening their social institutions.

5.6. We compete in a highly dynamic market and we do so vigorously, without compromising the fundamental principles that make up our philosophy: independence of criteria, technical quality, customer service, ethics and responsibility.

5.7. Under no circumstances may elements of political, social or economic pressure divert the outcome of our professional performance. Our independence of judgment is the hallmark of our organization.

5.8. The professional work carried out in SMS Latinoamérica by any of its members is protected by professional confidentiality and under no circumstances may the information obtained be disclosed by any of its members or used for their own benefit.

5.9. We encourage consultation by anyone who may have questions regarding the philosophy, model, and standards of conduct of SMS Latinoamérica. These consultations should be addressed to those responsible for monitoring compliance, i.e. the organization's Board of Directors.

5.10. We are committed to safeguarding all the knowledge developed at SMS Latinoamérica, which constitutes the intellectual capital of the organization.

5.11. We are committed to properly documenting all procedures and actions of each member of the organization as proof of all work performed for our clients.

