

LDC

A public limited company with a management board and supervisory board with a capital of € 6,646,756.80.
Registered office: Zone Industrielle Saint-Laurent, 72300 Sablé-sur-Sarthe.
576 850 697 R.C.S. Le Mans.

Code of Ethics

Designed to prevent insider trading

**This code applies to all insiders
or who may be insiders
within the company and its group
(the "Code")**

Available on the LDC website

<http://www.ldc.fr>

Amended by the Supervisory Board on August 25, 2016 to bring it into line with Regulation (EU) No 596/2014 on market abuse, Directive No 2014/57 / EU on sanctions applicable to market abuse and Law no. 2016-819 of June 21, 2016 reforming the system of repression of market abuse

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Summary of the Code of Ethics

Principle:

Transactions in LDC Securities are free (subject to exceptions).

Exceptions:

Any person who is or is likely to be an insider must refrain from any intervention on LDC Securities:

- during blackout periods:
 - These periods appear in the annual schedule of blackout periods that can be planned online on the LDC website
 - These periods are indicated by a red light on the LDC website



- even outside blackout periods in case of possession of inside information.

In case of difficulty in interpreting the provisions of this Code, please contact the Finance Department

Preamble

This Code was initially drawn up in accordance with the recommendations of the AMF.

It has been updated by:

- Regulation No 596/2014 of the European Parliament and of the Council of April 16, 2014;
- Directive No. 2014/57/EU on sanctions for market abuse of April 16, 2014;
- Law No. 2016-819 of June 21, 2016 reforming the system of repression of market abuse.

As LDC Securities are admitted to trading on Euronext Paris, all trading in these securities is regulated (see details of such trading in § 2.1.1 below).

For the purposes of this Code, **LDC Securities** are defined as: all financial instruments issued or to be issued by LDC and all derivative financial instruments related thereto (in particular shares and securities, rights that may be detached from these various securities, options and financial contracts relating to these securities (put, call, etc.)) and, more generally, all financial instruments whose performance is related to the business of the LDC group.

Persons holding inside information likely to have a significant influence on the price of LDC Securities must imperatively refrain from disseminating this information and from intervening in LDC Securities, as long as this information is not made public, under penalty of administrative or penal sanctions.

The basis for this rule is that the person concerned has, during this period, inside information which is likely to give him an advantage over the public.

Because of the importance of this subject and the penalties incurred, and in the interest of proper information, the company has established this Code of Ethics, which is intended to apply to all persons holding or likely to hold one or more pieces of inside information (insiders).

This Code applies as follows:

- to all insiders, whether agents or employees of the group, appearing on the company's list of insiders both in the sections relating to specific insider information and in its section relating to permanent insiders or on the list of "senior executives" subject to the obligation to report their securities transactions,
- to all other officers or employees of the Group, even if not mentioned on the above-mentioned lists, provided that they hold inside information.

The purpose of this Code is, on the one hand, to inform the group's agents and employees (whether or not insiders) about the applicable legal and regulatory provisions in this area and, on the other hand, to put in place additional preventive measures to prevent insider trading.

It can be consulted by all the group's agents and employees on the company's website.

1. Reminder of the applicable rules

1.1. Definition of inside information

Inside information is specific information that has not been made public and which, if it were made public, would be likely to be taken into account by a reasonable investor in making a decision to sell, buy or hold his securities.

Inside information¹ is information of a precise nature, which has not been made public, relating, directly or indirectly, to the company or to one or more of its financial instruments, and which, if it were made public, would be likely to have a significant effect on the stock prices of LDC.

Information ceases to be insider information when it is made public.

The LDC group's officers and employees must assume that the information is not public until it has been disclosed in an official press release, by a news agency or news wire service or by a daily newspaper with a large circulation, in a public document, in documents sent to shareholders (such as, for example, an annual report), or in a public conference that investors can follow through any media (telephone, Internet, audio conference, video conference, etc.).

Information is deemed to be precise if it refers to a set of circumstances that exists or may reasonably be expected to exist or an event that has occurred or may reasonably be expected to occur and is sufficiently precise to allow a conclusion to be drawn as to the possible effect of such set of circumstances or event on the LDC share price.

Information would be likely to have a significant influence on the share price if a reasonable investor would be likely to use it as one of the bases for his investment decisions.

Among the information likely to have a significant influence on the share price is financial information, including in particular:

- annual and half-year results,
- the estimated amount of the dividend and its ex-dividend date,
- quarterly and annual sales figures.

Information relating to a significant transaction for the company may also be mentioned, without it being possible to draw up an exhaustive list (examples: external growth, major contracts, launch of new products, etc.).

Inside information may relate directly to the company. It may also concern it indirectly, for example, by referring to a significant transaction relating to one of its subsidiaries or to a market phenomenon as yet unknown to the public, such as a significant increase in the price of a raw material.

¹ Article 7 of Regulation No 596/2014 of the European Parliament and of the Council of April 16, 2014

1.2. Duty to refrain

If inside information is held, you should refrain, as long as the information is not made public, from:

- **engaging or attempting to engage in insider trading,**
- **recommending or inducing another person to engage in insider trading, or**
- **unlawfully disclosing inside information.**

Possession of inside information requires refraining from:

- making or attempting to make use of inside information by carrying out, for himself or for others, either directly or indirectly, one or more transactions or by cancelling or modifying (or attempting to cancel or modify) one or more orders placed by the same person before he possesses the inside information, on the financial instruments issued by this issuer or on the financial instruments concerned by this inside information;
- recommending or attempting to recommend the carrying out of one or more transactions on the financial instruments to which the inside information relates or inciting or attempting to incite the carrying out of such transactions on the basis of such inside information or using the above-mentioned recommendation or incitement knowing that it is based on inside information;
- (i) communicating inside information (outside his profession or functions) to a third party or (ii) communicating the recommendation or inducement to carry out insider trading mentioned in the previous point knowing that it is based on inside information.

We draw your attention to the fact that such an attempt is sanctioned in the same way as insider trading.

1.3. Persons concerned

These abstention rules apply to all persons:

- holding a management position (chairman of the management board, member of the management board, member of the supervisory board) or an equivalent position within LDC,
- having inside information about an issuer in which it holds an interest (this includes shareholders),
- having inside information in the course of their profession or duties or as a result of their participation in the commission of a crime or offence, or
- all other persons who knowing have inside information.

If the person concerned is a legal person, the obligations apply to natural persons who participate in the decision to proceed with the transaction on behalf of the legal person in question.

1.4. Penalties incurred

Reminder: the Monetary and Financial Code, in its version prior to July 3, 2016, allowed the same acts to be prosecuted cumulatively by the AMF and by the criminal courts. By decision of March 18, 2015, the Constitutional Council put an end to the system of cumulative prosecution.

The Law of June 21, 2016 introduces a consultation mechanism that requires the AMF and the national financial prosecutor's office to coordinate to open one of the two procedures and close the other. Failing this, the matter will be referred to the public prosecutor with a view to authorising or not authorising the the financial prosecutor to initiate proceedings.

The violation of the aforementioned abstention rules may constitute insider trading which may be penalized by:

- **An administrative fine at the initiative of the AMF,**
or
- **Imprisonment and a criminal fine at the initiative of the National Financial Prosecutor's Office.**

➤ Administrative sanctions

If the administrative route is chosen, the AMF can impose a financial penalty on offenders of up to 100 million Euros or, if profits have been made, ten times their amount.² This penalty may be subject to an increase, up to a limit of 10% of their amount, intended to finance assistance to victims.

² Article L. 621-15 of the Monetary and Financial Code

➤ Criminal sanctions

If criminal proceedings are brought, the court may impose on the offenders a sentence of five years' imprisonment and a fine of 100 million Euros, which may be increased up to ten times the amount of the benefit derived, but the fine may not be less than the amount of the benefit derived³. Legal persons are liable to a fine equal to five times the fine for natural persons (only the fine in absolute terms, i.e. 500 million Euros), as well as additional penalties (dissolution, closure of the establishments of the company used to commit the offence, prohibition to make a public offer of financial securities or to have its financial securities admitted to trading on a regulated market, prohibition to exercise)⁴.

When committed in an organised gang, the offences referred to above are punishable by ten years' imprisonment and a fine of 100 million Euros, which may be increased up to ten times the amount of the benefit derived from the offence⁵.

2. Duties of the insider

2.1. Prohibited interventions on LDC Securities

2.1.1. Interventions prohibited during blackout periods

Transactions in LDC Securities prohibited during blackout periods include, in particular, purchases and sales of the Company's shares, the exercise of stock options and all sales of units in company mutual funds invested in the Company's shares.

This covers all transactions in LDC Securities (shares, securities giving access to capital, etc.) that may be carried out by an insider and, in particular, the following transactions:

- purchases of LDC Securities,
- exercise of stock options,
- sales of shares, and in particular sales of shares resulting from the exercise of stock options or shares allocated free of charge by the company,
- subscriptions (excluding subscriptions by payment of profit-sharing or profit-sharing) or disposals of units in FCPE funds or other funds invested in the company's shares,
- acquisitions, disposals or contributions of usufruct or bare ownership of securities in the context of divided ownership.

³ Article L. 465-1 of the Monetary and Financial Code

⁴ Article L. 465-3 of the Monetary and Financial Code

⁵ Article L. 465-3-5 of the Monetary and Financial Code

2.1.2. Predictable blackout periods

Transactions in LDC Securities should not be carried out during the following periods:

- **the period of 30 calendar days prior to the publication of the annual and half-yearly results,**
- **the 15 calendar-day period preceding the publication of quarterly, annual and half-yearly sales figures,**
- **all periods during which the person concerned holds inside information.**

Intervention is only possible from the day after the publication concerned.

To find out whether an item of information has been made public and has therefore lost its insider nature, it is advisable to consult the company's website.

In accordance with what is described in 1.2, a person in possession of inside information must refrain from trading in LDC Securities until such information is made public.

This period is usually referred to as a "**blackout period**".

As an internal rule, the company has defined abstention periods during which insiders who possess or are presumed to possess, during this period, inside information likely to give them an advantage over the public are prohibited from trading in LDC Securities (see interventions referred to in 2.1.1.).

These periods, determined from the Company's financial calendar, are as follows:

- The period of 30 calendar days prior to the publication of the annual results;
- The period of 30 calendar days prior to the publication of the half-yearly results;
- The period of 15 calendar days preceding the publication of quarterly, annual and half-yearly sales figures.

Insiders are authorised to trade in LDC Securities as from the day after the publication of the relevant information, **provided that they are not otherwise in a blackout period** (see 2.1.3 and 2.1.4) and, more generally, provided that they do not otherwise hold any other inside information.

To know precisely the opening and closing dates of these periods, calculated in relation to the dates of publication of this information, we invite you to consult the annual schedule of planned blackout periods (see 3.).

2.1.3. Legal blackout periods in the event of the sale of LDC shares allocated free of charge

LDC Securities that have been allocated free of charge by the Company must not be sold:

- **within the period between the date on which the corporate bodies become aware of inside information and the 10 trading sessions following the publication of the inside information,**
- **within 10 trading days before and 3 trading days after the publication of the annual results.**

The beneficiaries of LDC Securities allocated free of charge by the company and who wish to sell them at the end of the holding period, may not do so⁶:

- Within the period of ten trading sessions preceding and three trading sessions following the date on which the consolidated accounts, or failing that the annual accounts, are made public;
- Within or in the period between the date on which the Company's corporate bodies become aware of information which, if made public, could have a significant impact on the price of the Company's securities, and the date following ten trading sessions when this information is made public, This applies in particular to the publication of annual and half-yearly results as well as quarterly sales figures.

2.1.4. Other blackout periods

Trading in LDC Securities, even outside blackout periods, should be avoided when in possession of inside information.

It is recalled that, in any case, in the event of possession of inside information outside of the aforementioned planned or legal blackout periods (2.1.2 and 2.1.3.), the insider must refrain from any intervention on LDC Securities.

This is particularly the case in the event of:

- a financial transaction likely to have a significant influence on the share price,
- or
- inside information about the business.

⁶ Article L.225-197-1 of the French Commercial Code

2.2. Keeping inside information confidential

In the event that inside information is held, in order to maintain its confidentiality and until it is made public, it is necessary:

- **to refrain from communicating it outside the normal exercise of one's duties,**
- **to limit its access.**

Only persons whose duties justify it should have access to inside information.

This rule applies to both day-to-day and exceptional transactions.

2.2.1. Abstention from communicating inside information

As mentioned in 1.2, an insider must refrain from communicating any inside information to any person outside the normal course of his work, profession or duties, or for purposes other than those for which it was communicated to him.

Any person with inside information must imperatively refrain from disclosing it to anyone, including persons working in the group, outside the normal exercise of their functions within the company. In particular, they must refrain from disclosing it to close relatives such as their spouses, family members and friends.

It is important to scrupulously respect this rule of confidentiality, it being specified that a violation could constitute insider trading, for which the perpetrator could incur heavy financial penalties (cf. 1.4).

2.2.2. Limitation of access to inside information

In order to ensure that its confidentiality is maintained, the people who must have access to inside information must be exclusively those who need it to exercise their function within the company.

In this context, in the light of their respective powers, the general management, the departments' directorates dealing on a regular basis with inside information or the persons responsible for specific operations involving inside information must:

- verify the computer access rights to files containing or that may contain inside information,
- limit the number of participants in meetings where privileged information could be discussed,
- in the event of a transaction involving inside information, give a code name to the transaction and have confidentiality letters signed by all insiders, even third parties to the company, participating in the transaction.

In addition, these same persons as well as insiders must:

- check the recipients of emails containing or that may contain inside information,
- mention in each written exchange which relates or may relate to inside information the confidential nature of the information,
- in the event of a transaction involving inside information, sign confidentiality letters and use the code name designating the transaction.

2.3. Duty to inform in the event of major transactions

Transactions in LDC Securities referred to in 2.1.1 of this Code are subject to the following disclosure requirements:

Members of the Company's Management and Supervisory Boards, "senior managers"⁷ and their close relations⁸ must inform the AMF and the Company of any acquisition, disposal, subscription and/or exchange transaction involving LDC Securities, whether carried out directly or through an intermediary.

However, no declaration is to be made in respect of transactions carried out where the cumulative amount of such transactions does not exceed 20,000 Euros for the current calendar year. This threshold is calculated by aggregating all transactions carried out by an executive and transactions carried out by persons related to him.

This declaration must be transmitted:

- to the AMF, within three business days of the transaction, exclusively by electronic means via a secure extranet called "Onde", accessible on the AMF website:

<https://onde.amf-france.org/.../client/ptremiseinformationemetteur.aspx>

- and to LDC by email to the Finance Department.

⁷ A person other than corporate officers who has, within the issuer, the power to make management decisions concerning its development and strategy, regular access to inside information concerning directly or indirectly the issuer. These individuals are on the company's list of "senior officers".

⁸ Spouse not legally separated and partner under a PACS, dependent children, under parental authority or habitually or alternately residing at home, parents or relatives residing at home for at least one year, French or foreign legal person or entity, directed, administered, managed, controlled directly or incorporated for the benefit of a person subject to declaration (agents, senior executives and related persons) or in which one of these persons enjoys at least the majority of the economic benefits.

3. Prevention tools set up by the company: Yearly schedule of plannable blackout periods

Before carrying out a transaction on LDC Securities, it is advisable to consult the schedule of planned blackout periods

Each year, LDC publishes on its website (in the "finance - shareholders' space" section) a schedule of the planned blackout periods provided for in 2.1.2 positioned in relation to the forecast dates for publication of annual and half-yearly results and annual and quarterly sales figures.

This schedule will be put online at the latest during the last month preceding the opening of the new financial year and, if necessary, updated in the event of a change of publication date.

Each person wishing to carry out a transaction on LDC Securities must imperatively consult this document on the day before the transaction is carried out.

A red light system is intended to indicate that we are currently in a blackout period.



Red light:
Abstention