

**BEST CORPORATE PRACTICES IMPLEMENTATION REPORT**

**ALMACENES ÉXITO S.A.**

**MAIN REGISTERED AGENT**  
**Carlos Mario Giraldo Moreno**

**REGISTERED AGENT APPOINTED TO SEND THE IMPLEMENTATION REPORT**  
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**REPORTING PERIOD**  
**2018**

**REPORT DATE**  
**JANUARY 28**

## INTRODUCTION

Implementation of the recommendations of Colombia's new Best Corporate Practices Code must be reported by issuers to the Financial Superintendence of Colombia (SFC, for the Spanish original) by means of this Best Corporate Practices Implementation Report.

The objective of this report is to inform the securities market of each issuer's implementation, or failure to do so, of the code's recommendations.

If the answer is YES, the issuer must provide a brief explanation of how said implementation was carried out.

If the answer is NO, the issuer must explain why it has not adopted the recommendation.

Issuers may only answer N/A in cases where, for legal reasons, the recommendation cannot be adopted.

In this case, the issuer must indicate the specific standard that prevents it from doing so.

Since some recommendations are comprised of a series of specific aspects, it is important to mention that they will only be understood as implemented if all their aspects are met, unless any of them are not adopted due to legal reasons, which must be indicated.

Each recommendation has a box to indicate the date on which the issuer implemented it for the first time.

There is also a box to record the dates on which amendments are made.

Finally, when due to its nature, the issuer does not have the specific body referred to in the recommendation, it will be understood that it is referring to the entity's equivalent body or the body acting as such.

## I. SHAREHOLDERS' RIGHTS AND EQUAL TREATMENT

## Measure No. 1: Principle of Equal Treatment

1.1. The Company provides equal treatment to all shareholders who, within the same share class, have the same conditions, without implying that some shareholders have access to privileged information and others do not.

1.1 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Company provides all its shareholders with equal treatment. According to the Corporate Governance Summary, this principle is an express duty of all employees and managers, and some rules in Chapter Third have been established in order to ensure compliance therewith in topics such as "Stakeholders Relations."

**NO. Please Explain:****Specify the regulations that prevent adoption of the recommendation:****Date of Implementation**

December 31, 2018

**Amendment Dates**

March 17, 2015

1.2. The Board of Directors has approved a specific procedure that defines the Company's practices for relations with shareholders of different conditions on matters such as: access to information, resolving requests for information, communication channels, and interactions between shareholders and the Company, its Board of Directors and other Managers.

1.2 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Company has implemented different corporate governance procedures and measures for relations with its shareholders, investors and stakeholders. These are brought together in Chapter 5 of the Corporate Governance Summary, which depicts the "Financial and non-Financial Information Disclosure Policy" and all the mechanisms, channels, media and procedures on information disclosure and shareholder relations, as well as the guidelines on receiving and responding to decision proposals, requests, queries and rights of petition from shareholders.

Likewise, the Information Disclosure Procedure, approved by the Audit and Risk Committee of the Board of Directors, contains all the guidelines that must be followed by the different parties in charge to guarantee that shareholders, investors and stakeholders have the necessary knowledge about the state, Company's ordinary course of business and evolution so that they have sufficient elements of judgment for decision-making.

<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

<b>Date of Implementation</b>	December 31, 2008
<b>Amendment Dates</b>	January 15, 2016 February 19, 2018

**Measure No. 2: Information on Shares.**

**2.1.** On its website, the Company provides the public with clear, accurate and true information about the different share classes issued by the Company, the number of shares issued for each class, and the number of shares in reserve, as well as the rights and duties inherent to each share class.

2.1 Do you Implement the Measure?

YES

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NO

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N/A

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<b>YES. Briefly explain:</b>  <p>That's how it has been set in Chapter 3 of the Corporate Governance Summary, which establishes that the Company must publish the classes and quantity of shares issued, the rights they confer to their holders, shareholder rights, duties and prohibitions, as well as the number of shares issued and in reserve for each class.</p> <p>This information can be seen in the Shareholders and Investors section (Investor Relations /Bonds and Equities).</p>
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

<b>Date of Implementation</b>	December 31, 2008
<b>Amendment Dates</b>	March 17, 2015 February 19, 2018

**Measure No. 3: Non-dilution of Capital**

**3.1. Any transaction that can result in a dilution of capital** for minority shareholders (as in an increase in capital waiving pre-emptive rights, a merger, spin-off or division, etc.) will require the **Company to provide shareholders with a prior detailed report** from the Board of Directors and a recommendation regarding the terms of the transaction from an outside independent consultant of recognized standing (fairness opinion), appointed by the Board of Directors. These reports are available to shareholders prior to the General Meeting within the terms in order to exercise the right of inspection.

3.1 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

Any transaction that leads to capital dilution affecting minority shareholders, and in accordance with the provisions portrayed under Chapter 5 of the Corporate Governance Summary, will require the Company to provide shareholders with a prior detailed report from the Board of Directors with all the details and including the opinion of an outside consultant of recognized standing. These reports shall be made available to the shareholders prior to the General Shareholders Meeting to ensure full exercise of the right of inspection.

This practice has been implemented by the Company in cases in which transactions have been carried out that could lead to a dilution of capital. Transactions that could result in the dilution of capital for minority shareholders were not made in 2018.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	June 17, 2015
<b>Amendment Dates</b>	

**Measure No. 4: Information and Communication with Shareholders**

**4.1. The Company has a corporate website** in both Spanish and English with a link to Corporate Governance or Shareholder and Investor Relations or their equivalent, which includes financial and non-financial information under the terms proposed by Recommendations 32.3 and 33.3. Said website will never disclose confidential information about the Company or regarding industrial secrets or information that may be used to the detriment of the Company.

4.1 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

It is described in such way under Chapter 5 of the Corporate Governance Summary. The Company has its corporate website available in both Spanish and English, [www.grupoexit.com.co](http://www.grupoexit.com.co) with direct links for shareholders and investors, on which it posts information including financial and non-financial information, presentations of results, relevant news and information related to its corporate bodies, Corporate Governance, Sustainability and all other provisions in accordance with Recommendations 32.3 and 33.3.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	December 31, 2008
<b>Amendment Dates</b>	March 17, 2015 February 19, 2018

**4.2. The Company has mechanisms for permanent access and use designed exclusively for shareholders**, including a link on the website with exclusive access for shareholders, a shareholder and investor services or relations office and regular informative meetings, where shareholders can express their opinions, voice their concerns and make suggestions about the Company's endeavours, or anything regarding their condition as shareholders.

**4.2 Do you Implement the Measure?**

YES

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NO

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N/A

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**YES. Briefly explain:**

It is described in such way under Chapter 5 of the Corporate Governance Summary. The Company has different mechanisms for permanent access and use designed exclusively for its shareholders. The corporate website [www.grupoexito.com.co](http://www.grupoexito.com.co) is the main means of communication and disclosure of information to shareholder.

The Company also has an office that provides exclusive and personalized services for shareholders, which is located at the Company's headquarters. Additionally, it responds by telephone or through the emails posted on the Shareholders and Investors section of its corporate website (Investor Relations / Contact) and has communication channels, such as the results conferences held four (4) times a year.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	December 31, 2008
<b>Amendment Dates</b>	

**4.3. The Company hosts quarterly results presentation events** for its **shareholders and market analysts** that can be attended in person or remotely via distance communication media (teleconference, video conference, etc.).

4.3 Do you Implement the Measure?

YES

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NO

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N/A

☐

**YES. Briefly explain:**

In accordance with Chapter Fifth of the Corporate Governance Summary, the Shareholders and Investors Relations Office is responsible for the organization of any events that the Company quarterly schedules for shareholders and investors.

The Company schedules a teleconference on a quarterly basis for shareholders and market analysts, in which it explains the Company's results in detail. In 2018, four (4) results teleconferences were held, which have been posted on the corporate website in the "Shareholders and Investors / Financial Information.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	December 31, 2008
Amendment Dates	

**4.4. The Company organizes or participates in presentations, events and fixed income forums**, primarily designed for investors in debt instruments and market analysts, which update the issuer's business indicators, liabilities management, financial policies, ratings, and performance with regards to covenants, etc.

4.4 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

In 2018, the Company participated in individual and/or joint events or forums with fixed-income and equity investors as part of the normal functions of the Investor Relations Department, where it shared the Company's financial information.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	May 16, 2017
Amendment Dates	

**4.5. The Company Bylaws stipulate that a shareholder or group of shareholders that represents at least five percent (5%) of the capital may request special audits** on matters other than those audited by the Company's Statutory Auditor. Based on its capital structure, the Company may determine a percentage of less than five percent (5%).

4.5 Do you Implement the Measure?

YES

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NO

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N/A

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<p><b>YES. Briefly explain:</b></p> <p>Article 60 of the Company Bylaws stipulates the right to conduct special audits for shareholders or groups of shareholders representing at least five percent (5%) of the share capital.</p>
<p><b>NO. Please Explain:</b></p>
<p><b>NA. Specify the regulations that prevent adoption of the recommendation:</b></p>

Date of Implementation	December 31, 2008
Amendment Dates	March 17, 2015

**4.6.** To exercise this right, the Company has a written procedure in place with the provisions included in Recommendation 4.6.



4.6 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

In Chapter Third of the Corporate Governance Summary, a procedure was established by the Board of Directors to resolve any requests from shareholders regarding the performance of specialized audits, in accordance with the specifications provided in recommendation 4.6.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	September 11, 2014
<b>Amendment Dates</b>	

**Measure No. 5: Managers' Performance in Exchange Transactions or Acquisition of Control of the Company**

5.1. Members of the Board of Directors and Senior Management have expressly accepted in their Letters of Acceptance or agreements that upon notification of a Takeover Bid (TOB) or other relevant transactions, such as mergers or spin-offs, there shall be periods during which they agree not to trade Company shares directly or indirectly through an intermediary.

5.1 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

For the Shareholders Meeting held on March 23, 2018, the members of the Board of Directors submitted a letter of application and acceptance in which they expressly accepted that they know since the presentation of a takeover bid (TOB) or other relevant transactions, such as mergers or splits, there will be periods during which they agree not to negotiate, directly or indirectly through a proxy, any shares of the company.

The Company has other control measures to bind its Managers, Board Members and employees with access to privileged information so that upon notification of a Takeover Bid (TOB) or other relevant transactions, such as mergers or spin-offs, there shall be periods during which they agree not to trade Company shares directly or indirectly through an intermediary.

These measures can be found in the Use of Privileged Information Policy in Chapter 6 of the Corporate Governance Summary, which is mandatory for all of the Company's Managers, Board Members and employees.

NO. Please Explain:	
NA. Specify the regulations that prevent adoption of the recommendation:	
Date of Implementation	March 23, 2018
Amendment Dates	

**Measure No. 6: Contribution of Companies Integrated in Conglomerates**

6.1. Notwithstanding the independence of each individual company in the Conglomerate and the responsibilities of its management bodies, **there is an organizational structure** in the Conglomerate that defines three (3) levels of governance — the General Shareholders Meeting, the Board of Directors and Senior Management —, the key bodies and individual positions, as well as the relationships between them, which are public, clear and transparent, and allow clear lines of responsibility and communication to be drawn, facilitating the strategic orientation, supervision, control and effective management of the Conglomerate.

6.1 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

Information regarding the structure of the Corporate Group is posted on our corporate website, along with the organizational structure, which permits identification of responsibilities within the Parent Company and outlining of the strategic guidance, control and management of the companies that make up the Conglomerate.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	September 11, 2014
Amendment Dates	September 2, 2015

**6.2. The Parent Company and its most important Subordinate Companies** have defined a frame of reference for institutional relations by signing a public agreement approved by the Board of Directors of each company, which regulates the issues described in Recommendation 6.2.

6.2 Do you Implement the Measure? YES ☐ NO ☒ N/A ☐

YES. Briefly explain:
NO. Please Explain:
Although a framework of reference for institutional relations between the Company and its subordinates has not been established, the Company's Board of Directors approved the applicable conglomerate governance rules and incorporated them into the corporate governance policies included in the Corporate Governance Summary by signing an agreement that covers the issues indicated in Recommendation 6.2.
NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	
Amendment Dates	

#### Measure No. 7: Dispute Resolution

7.1. Except for disputes between shareholders, or between shareholders and the Company or its Board of Directors, which because of their legal nature must be resolved by the ordinary jurisdiction, **the Company Bylaws include dispute resolution mechanisms such as direct agreement, amicable settlement, conciliation and arbitration.**

7.1 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

YES. Briefly explain:
Article 52 of the Company Bylaws contains the dispute resolution mechanisms between shareholders, or between shareholders and the Company or its Board of Directors, including direct agreement, amicable settlement and arbitration.
NO. Please Explain:
NA. Specify the regulations that prevent adoption of the recommendation:

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Date of Implementation	December 31, 2008
Amendment Dates	March 17, 2015

## I. GENERAL SHAREHOLDERS MEETING

**Measure No. 8: Functions and Authority.**

**8.1.** In addition to other functions attributed to the General Shareholders Meeting by the legal framework, **the Bylaws expressly describe the functions of the General Shareholders Meeting found in Recommendation 8.1** and emphasize that they are exclusive and cannot be delegated.

8.1 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

Article 27 of the Company Bylaws contains the functions of the General Shareholders Meeting in accordance with Recommendation 8.1.

Additionally, Article 28 of the Company Bylaws establishes the exclusive functions that consequentially, cannot be delegated by said corporate body.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	

**Measure No. 9: Rules of Procedure for the General Shareholders Meeting.**

**9.1. The Company has Rules of Procedure for the General Shareholders Meeting** that govern all matters pertaining to the meeting including: announcement of meetings, preparation of information for shareholders, attendance, and development and exercise of shareholder rights. This is to ensure that the shareholders are perfectly informed about the sessions of the General Meeting and how they will be conducted.

9.1 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

The Company's General Shareholders Meeting has rules of procedure for its operation, which complement the provisions of the Company Bylaws regarding its announcement and development. This was approved by the same corporate body at the Ordinary General Meeting held in March 2014.

The Rules of Procedure for the General Shareholders Meeting can be found in section 2.1.1 Chapter 2 of the Corporate Governance Summary.

NO. Please Explain:
NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	March 20, 2014
Amendment Dates	March 17, 2015 March 23, 2018

**Measure No. 10: General Shareholders Meeting Announcement.**

**10.1.** In order to help shareholders exercise their right of information, **the Company Bylaws stipulate that ordinary sessions of the General Shareholders Meeting must be announced at least thirty (30) calendar days** in advance, and that extraordinary sessions must be announced at least fifteen (15) calendar days in advance. The aforementioned is without detriment to the legal terms established for corporate reorganizations such as mergers, spin-offs or transformations.

10.1 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

YES. Briefly explain:
Articles 18 and 19 of the Company Bylaws establish that the term to announce the General Shareholders Meeting is thirty (30) calendar days in advance for ordinary sessions and fifteen (15) calendar days in advance for extraordinary sessions. Said measure is also established in Article 5 of the Rules of Procedure for the General Meeting of Shareholders, which are found in title 2.1.1 of Chapter 2 of the Corporate Governance Summary.
NO. Please Explain:
NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	March 17, 2015
Amendment Dates	

**10.2.** In addition to the traditional and mandatory mediums included in the legal framework, **the Company ensures maximum disclosure and publicity of the meeting announcement** through the use of electronic media, including the corporate website, alerts via individual emails, and if deemed appropriate, through social media.

**10.2 Do you Implement the Measure?**

YES

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NO

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N/A

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**YES. Briefly explain:**

Pursuant to Article 20 of the Company Bylaws, the Company publishes the announcement in a widely distributed national newspaper. Additionally, the announcement is posted at the offices of Fiduciaria Bancolombia (which manages the Company's Shareholder Department), in bulletins sent out by the Investor Relations Department and on the corporate website in the Shareholders and Investors section (Corporate Governance / General Shareholders Meeting).

Additionally, article 5 of the Regulations of the General Shareholders Meeting contained in section 2.1.1 of Chapter 2 of the Corporate Governance Summary, establishes the additional means that can be used by the Company for the announcement. As part of the announcement to the General Assembly of Shareholders held in 2018, this measure was applied using different means for dissemination.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	December 31, 2008
<b>Amendment Dates</b>	

**10.3.** To increase transparency in the decision-making process during the General Shareholders Meeting, the Company not only provides the meeting agenda with an itemized list of the topics to be discussed, but it also makes the Agreement Proposals, which the Board of Directors will present at the meeting for each item, available to the shareholders at the same time as the meeting announcement or at least fifteen (15) calendar days prior to the meeting.

**10.3 Do you Implement the Measure?**

YES

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NO

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N/A

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**YES. Briefly explain:**

In accordance with Article 5 of the Rules of Procedure of the General Assembly of Shareholders, contained in section 2.1.1 of Chapter 2 of the Corporate Governance Summary, simultaneously with the announcement, or at least, with an anticipation of fifteen (15) calendar days for the meeting, any and all proposals for agreement for each item on the agenda that will be submitted to the General Shareholders Meeting by the Board of Directors will be made available to Shareholders.

At the 2018 Ordinary General Meeting, the Company complied with this measure.

<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

Date of Implementation	March 17, 2015
Amendment Dates	March 23, 2018

**10.4. Spin-offs can only be analyzed and approved by the General Shareholders Meeting** if the point was expressly included in the announcement of the respective meeting.

10.4 Do you Implement the Measure?      YES      ☒      NO      ☐      N/A      ☐

<b>YES. Briefly explain:</b>
Pursuant to paragraph 3 of Article 18 of the Company Bylaws and Article 8 of the Rules of Procedure for the General Shareholders Meeting, as stated in numeral 2.1.1 of Chapter 2 of the Corporate Governance Summary, the General Shareholders Meeting may decide on the approval of a spin-off with prior observance of special requirements for the announcement, publicity and deposit of the project for study by the shareholders during the term of announcement.
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

Date of Implementation	March 17, 2015
Amendment Dates	



**10.5. The agenda proposed by the Board of Directors accurately lists the content of the topics to be discussed**, so that no important topic is concealed or disguised under inaccurate, generic or imprecise statements such as "other" or "comments and suggestions"

10.5 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Pursuant to Article 18 of the Company Bylaws, the Board of Directors and Managers shall abstain from submitting for the consideration of the General Shareholders Meeting any point that has not been included in the agenda published in the announcement. Additionally, Article 5 of the Rules and Procedures for the General Shareholders Meeting contained in section 2.1.1 Chapter Second of the Corporate Governance Summary, established that the agenda will accurately contain the content of the topics to be discussed and in no case will there be made generic mentions that do not allow to know in detail the matter to be treated.

The agenda proposed by the Board of Directors for the 2018 Ordinary General Meeting included each one of the items to consider and approve separately, and with sufficient information regarding the matter involved.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	December 31, 2008
<b>Amendment Dates</b>	March 17, 2015 March 23, 2018

**10.6. In the case of amendments to the Bylaws, each article or group of articles** that is substantially independent is voted on separately. In any case, if a shareholder or group of shareholders representing at least five (5%) of the share capital makes the request, separate votes will be allowed for each article as needed. Shareholders are notified of this right in advance.

10.6 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Pursuant to part h) of Article 26 of the Company Bylaws and Section 8 of Article 13 of the Rules of Procedure for the General Shareholders Meeting, contained in section 2.1.1 Chapter 2 of the Corporate Governance Summary, in the event of amendment of the bylaws, each article or group of articles substantially related to each other shall be voted on separately, except when a shareholder or group of shareholders that holds at least five percent (5%) of the share capital requests that it is voted on separately during the General Meeting.

A reform to the Company Bylaws was made at the 2018 Ordinary General Meeting, where the proposed amendment was voted on and approved separately for each article subject to reform.

NO. Please Explain:	
NA. Specify the regulations that prevent adoption of the recommendation:	
Date of Implementation	March 17, 2015
Amendment Dates	

**10.7.** Notwithstanding the provisions of Article 182 of the Code of Commerce, and in order to reinforce and guarantee right of inspection and information of shareholders prior to the General Shareholders Meeting, **the Bylaws recognize the right of shareholders, regardless of the percentage of their shareholding, to propose one or more topics to be discussed on the agenda** of the General Shareholders Meeting, within a reasonable time limit and provided that the request for the new topics is justified. Shareholder requests must be submitted within five (5) calendar days following publication of the announcement.

10.7 Do you Implement the Measure?

YES

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NO

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N/A

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YES. Briefly explain:	
Paragraph 3 of Article 18 of the Company Bylaws and Section 8 of the Rules of Procedure for the General Shareholders Meeting, section 2.1.1 Chapter 2 of the Corporate Governance Summary, establish the shareholders' right to introduce well-founded new points to the agenda of the General Meeting within five (5) calendar days from publication of the announcement	
NO. Please Explain:	
NA. Specify the regulations that prevent adoption of the recommendation:	
Date of Implementation	March 17, 2015
Amendment Dates	

**10.8.** If the request is rejected by the Board of Directors, **the Board must respond in writing** to requests made by shareholders that hold at least five (5%) percent of the share capital, or a lower percentage established by the Company according to the degree of concentration of ownership, **explaining the reasons that motivated its decision** and informing shareholders of their right to submit their proposals during the General Shareholders Meeting pursuant to the previously cited provisions of Article 182 of the Code of Commerce.

10.8 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

In letter h), section 34.8 of article 34 of the bylaws and in section 2.1.2 of the Corporate Governance Summary that contains the procedure of the Board of Directors to process the requests by shareholders registered within five (5) days following the publication of the announcement, it is established that if the request is rejected by the Board of Directors, it must be answered in writing to those applications supported, at least by a five percent (5%) of the share capital, explaining the reasons that motivated its decision and informing shareholders of their right to present proposals during the General Shareholders Meeting.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

**Date of Implementation**

March 17, 2015

**Amendment Dates**

February 19, 2018

**10.9.** If the Board of Directors accepts the request and the shareholders' time to propose topics pursuant to the preceding recommendations has expired, **a supplement to the announcement of the General Shareholders Meeting** is published at least fifteen (15) calendar days prior to the meeting.

10.9 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

It is foreseen as explained in the third paragraph of article 18 of the bylaws, in article 8 of the Rules of Procedure of the General Assembly of Shareholders and section 2.1.2 of the Corporate Governance Summary, which contains the procedure of the Board of Directors to process the requests of shareholders presented within five (5) days following the publication of the announcement.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:
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Date of Implementation	March 17, 2015
Amendment Dates	February 19, 2018

**10.10.** Within the same term indicated in Section 10.7, **shareholders may also submit new well-founded Agreement Proposals** on matters already included in the Agenda. For these requests, the Board of Directors shall act in a similar manner as described in Sections 10.8 and 10.9.

10.10 Do you Implement the Measure?      YES      ☒      NO      ☐      N/A      ☐

<b>YES. Briefly explain:</b>  Paragraph 3 in Article 18 of the Company Bylaws and Section 8 of the Rules of Procedure for the General Shareholders Meeting and section 2.1.2 of the Corporate Governance Summary that contains the procedure of the Board of Directors to process the requests of the shareholders presented within five (5) days following the publication of the announcement, establish this right in favor of shareholders and the Board's duty thereof in accordance with Sections 10.8 and 10.9.
<b>NO. Please Explain:</b>  
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>  

Date of Implementation	March 17, 2015
Amendment Dates	February 19, 2018

**10.11.** The Company is required to use electronic communication channels, primarily the corporate website with exclusive access for shareholders, to provide them with the documents and information associated with each item on the agenda of the General Shareholders Meeting.

10.11 Do you Implement the Measure?      YES      ☒      NO      ☐      N/A      ☐

YES. Briefly explain:
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Pursuant to the Financial and Non-financial Information Disclosure Policy within Chapter Fifth of the Code of Governance, the Company posts all the documents related to the agenda for the General Shareholders Meeting in the "Shareholders and Investors" section on the corporate website.

For the 2018 General Shareholders Meeting, the Company published the information related to each point of the meeting's agenda in said section (Corporate Governance / General Shareholders Meeting / Shareholders Meeting - 2018).

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	March 17, 2015
<b>Amendment Dates</b>	

**10.12. The Company Bylaws recognize the shareholders' right to request with sufficient notice any information or clarification** deemed appropriate, using traditional channels and/or when applicable, using new technologies for that purpose; or to submit in writing any questions deemed necessary with regard to matters included in the agenda, documentation received, or public information provided by the Company. In line with the Company's choice of when to announce the General Meeting of Shareholders, the Company will determine the period during which shareholders may exercise this right.

**10.12 Do you Implement the Measure?**

YES

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NO

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N/A

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**YES. Briefly explain:**

Paragraph 3 of Article 18 of the Company Bylaws and Section 8 of the Rules of Procedure for the General Shareholders Meeting as stated in numeral 2.1.1 of Chapter 2 of the Corporate Governance Summary establish the shareholders' right to request information or to ask questions about the matters on the agenda of the General Meeting within five (5) calendar days from the publication of the announcement.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	

**10.13. The Company has established that the information requested may be denied if**, pursuant to internal procedures, it is considered to be: i) unreasonable; ii) irrelevant for understanding the Company's progress or interests; iii) confidential, which includes privileged information in the scope of the securities market, industrial secrets, and transactions underway where their success substantially depends on their secret negotiation; and iv) others which, if disclosed, could put the Company's competitiveness at imminent and serious risk.

10.13 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

It is established in article 8 of the Rules of Procedures of the General Shareholders Meeting in section 2.1.1 and in Chapter 2 of the Corporate Governance Summary.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	

**10.14. When the response to a shareholder can put it at an advantage, the Company will ensure that the other shareholders simultaneously have access to said response**, using the mechanisms established for that purpose, and under the same conditions.

10.14 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

It is established in article 8 of the Rules of Procedures of the General Shareholders Meeting in section 2.1.1 and in Chapter Second of the Corporate Governance Summary. In addition to the aforementioned, the Company has provided a FAQ section on its corporate website for shareholders or investors on Company topics of general knowledge. All the answers to the questions are public knowledge since they have been reported by different media, such as: relevant information, press releases, corporate presentations, quarterly financial results and all the information related to ordinary as well as extraordinary sessions of the General Shareholders Meeting, among others.

NO. Please Explain:	
NA. Specify the regulations that prevent adoption of the recommendation:	

Date of Implementation	March 17, 2015
Amendment Dates	

**Measure No. 11: Regulation of Representation**

11.1. Notwithstanding the limits set forth by Article 185 of the Code of Commerce, Public Notice 24/2010, and the regulations that amend, add to or replace them, **the Company does not limit the right of shareholders to be represented at the General Shareholders Meeting** or to delegate their vote to any individual, whether a shareholder or not.

11.1 Do you Implement the Measure?

YES

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NO

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N/A

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<b>YES. Briefly explain:</b>  Pursuant to Article 14 of the Company Bylaws and Section 14 of the Rules of Procedure for the General Meeting of Shareholders as part of section 2.1.1 Chapter 2 of the Corporate Governance Summary, the company authorizes the right for shareholders to be represented by written form of proxy granted to any proxy or representative before the General Shareholders Meeting.  As well as being a practice implemented and observed at each session of the General Meeting, the shareholders are reminded of this in the announcement of said meetings.
NO. Please Explain:
NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	December 31, 2008
Amendment Dates	

**11.2. The Company reduces the use of blank proxy votes without voting** instructions by actively promoting the use of a letter of proxy template that the Company provides for shareholders or posts on its website. The template includes the items on the agenda and corresponding Agreement Proposals, which are decided pursuant to a previously established procedure and are submitted to the shareholders for their consideration, with the aim to allow the shareholders to indicate the direction of their vote to their proxies for each instance if they deem it appropriate.

11.2 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

With the aim to reduce the use of proxies without voting instructions, Article 14 of the Rules of Procedure for the General Shareholders Meeting section 2.1.1 of Chapter 2 of the Corporate Governance Summary establishes the publication of a proxy form template on the corporate website, which includes the items on the agenda so that the shareholders can indicate their vote on each point to their proxies.

A proxy form template was posted on the website for the 2018 General Shareholders Meeting, including the corresponding section for shareholders to make a record of the voting instruction for each item on the agenda subject to the shareholders' consideration and voting. This template can be seen in "Shareholders and Investors / Corporate Governance / General Shareholders Meeting / Shareholders Meeting - 2018 / Announcement."

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	

**Measure No. 12: Attendance by Individuals other than Shareholders**

**12.1.** With the aim of reinforcing the role of the General Shareholders Meeting to represent corporate intent, and in order to make it a more participative body, the Rules of Procedure for the General Shareholders Meeting **require Board Members, and especially Chairmen of the Board's Committees, as well as the Company CEO, to attend the General Shareholders Meeting** to respond to shareholders' concerns.

12.1 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

Article 1 of the Rules of Procedure for the General Shareholders Meeting as part of section 2.1.1 Chapter 2 of the Corporate Governance Summary establishes that the meetings of this corporate body must be attended by the Company CEO and, whenever possible, by all the Board Members or, in their absence, by the Chairman of the Board and the Chairmen of its different committees so that they respond to the shareholders' queries.

The provisions of this measure were complied with at the 2018 Ordinary General Meeting.

**NO. Please Explain:**



NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	March 17, 2015
Amendment Dates	

## II. BOARD OF DIRECTORS

**Measure No. 13: Functions of the Board of Directors.**

13.1. The Bylaws expressly indicate the **functions that may not be delegated to Senior Management**, including those stipulated in Recommendation 13.1.

13.1 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

<p><b>YES. Briefly explain:</b></p> <p>Article 35 of the Company Bylaws establishes that the Board of Directors may delegate to the Committees of the Board of Directors, the Chairman or any of Legal Agents, when it deems appropriate, for special cases or for a limited time, any or some of the functions established in Article 34 of the Bylaws, which contains the functions of the Board of Directors, which, by their nature can be delegated as they are not prohibited by law or because their delegation is not recommended including those established in recommendation 13.1.</p>
<p><b>NO. Please Explain:</b></p>
<p><b>NA. Specify the regulations that prevent adoption of the recommendation:</b></p>

Date of Implementation	March 17, 2015
Amendment Dates	

13.2. Notwithstanding the governing bodies' autonomy in Subordinate Companies, **any time that the Company acts as the Parent Company of a Conglomerate**, these functions of the Board of Directors have a group approach **and are executed through general policies, guidelines or requests for information that respect the balance between the Parent Company's interests and the interests of the subordinate companies and Conglomerate as a whole.**

13.2 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

<p><b>YES. Briefly explain:</b></p> <p>Notwithstanding article 4 of the Rules of Procedure of the Board of Directors established in section 2.2.1 of the Corporate Governance Summary, without prejudice to the autonomy of the governing bodies of the subsidiary companies, since the Company acts as parent of the corporate group, pursuant to Article 34 of the Company Bylaws, some of the functions of the Board of Directors contained therein have a group approach, which are developed through general policies, procedures, strategic guidelines and controls for the management and administration of the subordinate companies.</p>
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<b>NO. Please Explain:</b>  
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>  

Date of Implementation	March 17, 2015
Amendment Dates	February 19, 2018

**Measure No. 14: Rules of Procedure for the Board of Directors**

**14.1. The Board of Directors has approved the Rules of Procedure** that govern its organization and operation, as well as the functions and responsibilities of its Board Members, Chairman and Secretary, and their rights and duties. These are reported to the shareholders and are binding for Board Members.

14.1 Do you Implement the Measure?

YES

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NO

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N/A

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<b>YES. Briefly explain:</b>  <p>Section 2.2.1 of the Corporate Governance Summary contains the Rules of Procedure for the Board of Directors approved by the same corporate body, which regulate its organization and operation, as well as the functions, rights and duties of its members, Chairman and Secretary. Said rules of procedure are binding for Board Members and are posted on the corporate website in the Shareholders and Investors section (Corporate Governance / Corporate Governance Overview/ Corporate Governance Code).</p>
<b>NO. Please Explain:</b>  
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>  

Date of Implementation	December 31, 2008
Amendment Dates	January 15, 2016 February 19, 2018

**Measure No. 15: Size of the Board of Directors**

15.1. Based on its Bylaws, the Company has opted not to appoint Alternate Board Members.

15.1 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Article 29 of the Company Bylaws establishes that the Board of Directors is comprised of nine (9) principal members or directors. There is therefore no designation of alternate members.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	December 31, 2008
Amendment Dates	

**Measure No. 16: Formation of the Board of Directors**

16.1. Based on the premise that once elected, all Board Members act in the Company's best interests, **the Company engages in an exercise of maximum transparency to identify the background of its Board Members** in accordance with the plan described in Recommendation 16.1.

16.1 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

The Company identifies in the "Definitions" section contained in the Corporate Governance Summary, independent and equity members of the Board of Directors in accordance with those defined in recommendation 16.1.

In accordance with article 29 of the Corporate Bylaws, the Board of Directors is composed of nine (9) Members or Directors, elected by the General Shareholders Meeting, of which at least three (3) members must be independent as established by Law 964 of 2005, or of the norms or regulations that add or modify it.

The Company identifies and posts the background of the different Board Members on its website, that is done equally during nomination as well as in election, specifying those who are independent members and those who are equity members.

NO. Please Explain:
NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	December 31, 2008
Amendment Dates	February 19, 2018

**16.2. The Company has a procedure** coordinated through the Appointment and Remuneration Committee or another committee that fulfills its functions, which allows the Board of Directors to achieve the objectives set forth in Recommendation 16.2 through its own dynamics and the conclusions of the annual assessments.

16.2 Do you Implement the Measure?

YES

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NO

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N/A

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<p><b>YES. Briefly explain:</b></p> <p>The Election and Succession Policy established in section 2.2.2. of the Corporate Governance Summary and the Procedure for the Election of Board Members contain the procedure through which the Board of Directors, with the support of the Appointment, Remuneration and Corporate Governance Committee and the Corporate Governance Committee, can achieve the objectives indicated in Recommendation 16.2.</p>
NO. Please Explain:
NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	March 17, 2015
Amendment Dates	February 24, 2016

**16.3. The Board of Directors provides shareholders with copies of the professional profiles deemed necessary so that the different stakeholders**, mainly controlling, major and family shareholders, shareholder groups and institutional shareholders, if any, and the Board of Directors itself, can identify the most suitable candidates.

16.3 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

Article 2 of the Board of Directors Election and Succession Policy established in section 2.2.2 of the Corporate Governance Summary establishes that the Board of Directors must post the tentative composition of functional profiles related to aspects such as knowledge and professional experience on the corporate website, as well as the personal profiles related to career, acknowledgements, prestige or other characteristics that the Board of Directors deems appropriate. This measure was complied with in the election of the Board of Directors held in 2018.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	March 17, 2015
<b>Amendment Dates</b>	

**16.4 The Company** believes that the sole evaluation of resume by shareholders is an insufficient way of determining candidate suitability. Therefore, it has an internal procedure in place to assess any incompatibilities and disqualifications of a legal nature and of the candidate's suitability to meet the Board's needs by assessing a set of criteria that the candidates must meet in their functional and personal profiles and verifying compliance with objective requirements to become a Board Member, as well as any additional requirements to become an Independent Member.

16.4 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Board of Directors Election and Succession Policy as established in section 2.2.2 of the Corporate Governance Summary and the Procedure for the Election of Board Members were designed and approved in this way.

All the proposed candidates must be assessed by the Appointment, Remuneration and Corporate Governance Committee, which must ensure that pursuant to Articles 4 to 7 of the policy, the assessment of candidates for the Board of Directors includes an analysis of legal incompatibilities and disqualifications, of a set of criteria to be met by the functional and personal profiles of the candidates, and of the verification of compliance with certain objective requirements to be a Board Member and to be considered an Independent Member.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	March 17, 2015
Amendment Dates	February 24, 2016

**16.5.** In addition to the requirements for independence set forth in Law 964/2005, **the Company has voluntarily adopted a more rigorous definition of independence** than the one established by said law. This definition has been adopted as a frame of reference through the Rules of Procedure for the Board of Directors, and its requirements for assessment include relations or connections of any nature of a candidate for the position of Independent Board Member with controlling or significant shareholders and its Related Parties, both domestic and foreign, and demands a double declaration of independence: (i) by the candidate before the Company, its shareholders and members of Senior Management, through a Letter of Acceptance, and (ii) by the Board of Directors declaring the candidate's independence.

**16.5 Do you Implement the Measure?**

YES

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NO

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N/A

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**YES. Briefly explain:**

The Board's Election and Succession Policy as part of section 2.2.2 of the Corporate Governance Summary establishes that it can adopt a definition of the criteria of independence that includes not only those contained in Law 964/2005, but also the requirements associated with the candidate's relations with the Company's shareholders, Senior Management and stakeholders.

Through the reform of the Corporate Governance Summary, approved by the Board of Directors at its meeting held on February 19, 2018, the Company adopted a more stringent definition of independence, which can be consulted in the First Chapter of the Corporate Governance Summary "Definitions."

For the election of Board Members in 2018, the candidates for Independent Members made a declaration of independence with respect to the Company, its controlling or major shareholders and its Related Parties, both domestic and foreign, and the Pension Fund Management Firms.

**No. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	February 24, 2016
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Amendment Dates	February 19, 2018
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**16.6. By means of its internal regulations, the Company considers that through the Chairman of the Board and working with the Appointment and Remuneration Committee or another committee that fulfills its functions, the Board of Directors is the most appropriate body to centralize and coordinate the process of forming the administrative body prior to the General Meeting of Shareholders.** Accordingly, the shareholders who based on their shareholding aspire to be part of the Board of Directors can learn about the Board's needs and put forward their aspirations, negotiate stock balances and distribution among the different member categories, present their candidates and agree to have them assessed by the Appointment and Remuneration Committee prior to voting at the General Shareholders Meeting.

16.6 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Both the Board of Directors Election and Succession Policy established in section 2.2.2 of the Corporate Governance Summary and the Procedure for the Election of Board Members establish that the Board of Directors, through its Chairman and with the support of the Appointment, Remuneration and Corporate Governance Committee, is the most suitable body to centralize and coordinate the process of forming the Board of Directors prior to the General Meeting of Shareholders. In addition, said policy establishes that, together with the announcement of the General Meeting, shareholders must be informed of the term they have to submit their lists of candidates to be part of the Board of Directors, so they can be assessed in due time.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	February 24, 2016

**16.7. The Rules of Procedure for the Board of Directors establish that candidate suitability must be assessed prior to the General Meeting of Shareholders,** so that shareholders have sufficient information (personal qualities, suitability, career, experience, integrity, etc.) about the nominated candidates with adequate notice for the proper assessment thereof.

16.7 Do you Implement the Measure?

YES

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NO

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N/A

☐

**YES. Briefly explain:**



It is set forth in both the Board of Directors Election and Succession Policy as established in section 2.2.2 of the Corporate Governance Summary and the Procedure for the Election of Board Members.

The procedure for the assessment of candidates is carried out prior to the General Shareholders Meeting by the Appointment, Remuneration and Corporate Governance Committee, which must prepare a report on each candidate, which shall be submitted to the Board of Directors, so it can conduct a final, decisive assessment of the list of candidates it will recommend to the shareholders to form the Board of Directors. To that end, the Board of Directors shall ensure that the candidates it recommends, considered as a whole, fulfil the necessary requirements pursuant to the provisions of Article 7 of the Policy. This measure was applied for the election of the Board of Directors in 2018.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	March 17, 2015
<b>Amendment Dates</b>	February 24, 2016

#### Measure No. 17: Functional Structure of the Board of Directors

**17.1.** The Rules of Procedure for the **Board of Directors stipulate that Independent and Equity Members always have the majority over Executive Members**, whose number, in the case of joining the Board of Directors, is the minimum necessary to address the needs for sharing information and coordinating between the Company's Board of Directors and Senior Management.

17.1 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Pursuant to Article 29 of the Company Bylaws and article first of the Rules and Procedures of the Board of Directors as established in section 2.2.1 of the Corporate Governance Summary, the only Executive Member who can be a member of the Board of Directors is the Company CEO. However, the Board of Directors currently has nine (9) members, of which four (4) are Independent Members and five (5) are Equity Members, and the Company CEO is not a member thereof.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	December 31, 2008
Amendment Dates	

**17.2.** Based on the minimum percentage of twenty-five percent (25%) of Independent Members established by Law 964/2005, **the Company analyzes and voluntarily adjusts the number of Independent Members**, taking into account that the number of Independent Members must be proportional to the Floating Capital.

17.2 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Pursuant to Article 29 of the Company Bylaws, the Board of Directors must have nine (9) members, out of which at least three (3) must be Independent Members, comprising 33% of its members. In addition, the Board of Directors currently has four (4) Independent Members, thus exceeding the minimum established by the Company Bylaws and by law.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	June 11, 2015
Amendment Dates	

**Measure No. 18: Organization of the Board of Directors**

**18.1.** The functions of the Chairman of the Board are indicated in the Company Bylaws, and his/her primary responsibilities are those established in Recommendation 18.1.

18.1 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Article 31 of the Company Bylaws establishes the functions of the Chairman of the Board and includes those established in Recommendation 18.1.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	March 17, 2015
Amendment Dates	

18.2. The Company's internal regulations stipulate the option that **the Chairman of the Board may be treated differently than other members**, both in his/her obligations and in his/her compensation, because of the scope of his/her specific functions and more time on the job.

18.2 Do you Implement the Measure?

YES

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NO

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N/A

☐

<p><b>YES. Briefly explain:</b></p> <p>Article 31 of the Company Bylaws regulates everything related to the Chairman of the Board, as well as the specific functions.</p> <p>Article 3 of the Board of Directors Remuneration Policy approved by the General Meeting of Shareholders established in section 2.2.3 of the Corporate Governance Summary, regulates everything regarding the Board Members' remuneration, thus establishing different remuneration to other Board Members in consideration of their responsibilities and greater dedication of time regarding their position. Additionally, the internal regulations of the company provide for a differentiated treatment of the Chairman with respect to the other members.</p>
<p><b>NO. Please Explain:</b></p>
<p><b>NA. Specify the regulations that prevent adoption of the recommendation:</b></p>

Date of Implementation	June 11, 2015
Amendment Dates	

18.3. The Company Bylaws include the rules for appointing the **Secretary of the Board**, including those indicated in Recommendation 18.3.

18.3 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

Article 43 of the Company Bylaws includes the rules of Recommendation 18.3 about election of the General Counsel. The Company's General Counsel, who is also the Secretary of the Board of Directors and the General Shareholders Meeting, and the Manager of Corporate Affairs, can be freely appointed and dismissed by the Board of Directors upon the proposal of the Chairman of the Board, with a prior report by the Appointment, Remuneration and Corporate Governance Committee.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	March 17, 2015
<b>Amendment Dates</b>	

**18.4. The Rules of Procedure for the Board of Directors establish the functions of the Secretary**, which include those indicated in Recommendation 18.4.

18.4 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

Both the Rules of Procedure for the Board of Directors found in section 2.2.1 of the Corporate Governance Summary, as well as Article 43 of the Company Bylaws, establish the functions of the Secretary, which include those listed in Recommendation 18.4.

**NO. Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	March 17, 2015
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Amendment Dates	
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**18.5. The Board of Directors has an Appointment and Remuneration Committee:**

18.5 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

The Board of Directors has an Appointment, Remuneration and Corporate Governance Committee that carries out the functions corresponding to the Appointment and Remuneration Committee. Said committee's rules of procedure are provided in section 2.2.4.2.2 of the Corporate Governance Summary.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	December 31, 2008
Amendment Dates	March 17, 2015 February 19, 2018

**18.6. The Board of Directors has a Risk Committee.**

18.6 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

The Board of Directors has the Audit and Risk Committee, which fulfills the functions corresponding to the Risk Committee. Said committee's rules of procedure are provided in section 2.2.4.2.1 of the Corporate Governance Summary.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	February 19, 2018

**18.7. The Board of Directors has a Corporate Governance Committee**

18.7 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

The Board of Directors has the Appointment, Remuneration and Corporate Governance Committee, which fulfills the functions of the Corporate Governance Committee. Said committee's rules of procedure are provided in section 2.2.4.2.2 of the Corporate Governance Summary.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	December 31, 2008
Amendment Dates	March 17, 2015 February 19, 2018

**18.8.** If the Company has deemed it unnecessary to create all these committees, their functions have been distributed among existing committees or have been assumed by the Board of Directors in full.

18.8 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

The Company Bylaws and the Rules of Procedure for the Board of Directors established in section 2.2.1 of the Corporate Governance Summary set forth that the functions corresponding to the Audit Committee and the Risk Committee could be assumed by just one committee. Therefore, the Company has an Audit and Risk Committee, which assumes the functions of both. Similarly, the functions of the Corporate Governance and Appointment and Remuneration Committee were attributed to the Appointment, Remuneration and Corporate Governance Committee.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	December 31, 2008
Amendment Dates	March 17, 2015

**18.9. Every Board of Directors Committee has rules of procedure** that govern the details of its formation, the issues and functions on which the committee must work, and its operation, giving special attention to the communication channels between the committees and the Board of Directors, and in the case of conglomerates, to the relations and coordination mechanisms between Board of Directors Committees of the Parent Company and subordinate companies, if any.

18.9 Do you Implement the Measure?

YES

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NO

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N/A

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YES. Briefly explain:

The Rules of Procedure for the Board of Directors, found in section 2.2.4 of the Corporate Governance Summary, include the rules of procedure for each of the five (5) supporting committees of the Company's Board of Directors. These regulate their formation, the members' purpose and functions, and the way in which they must operate, among other aspects.

NO. Please Explain:

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	September 11, 2014
Amendment Dates	January 15, 2016 February 19, 2018

**18.10. Board of Directors Committees are exclusively comprised of Independent or Equity Members**, with a minimum of three (3) members and led by an Independent Member. In the case of the Appointments and Remuneration Committee, the Independent Members are always the majority.

18.10 Do you Implement the Measure?

YES

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NO

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N/A

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YES. Briefly explain:

<p>In section 2.2.4.1 of the Corporate Governance Summary, the provisions common to the Committees are established, and in which it was established that the Committees will be made up of at least three (3) members of the Board of Directors that may be Independent or Equity Members and chaired by an Independent Member, as well as foresees that the Appointments and Remuneration Committee and Corporate Governance Committee will be composed mostly of Independent Members.</p> <p>Upon the election of Board Members in 2018, these recommendations were taken into account for the formation of the committees</p>
<p><b>NO. Please Explain:</b></p>
<p><b>NA. Specify the regulations that prevent adoption of the recommendation:</b></p>

Date of Implementation	January 15, 2016
Amendment Dates	

**18.11. The Board of Directors Committees can obtain ongoing or occasional help from members of Senior Management with experience in matters of their responsibility and/or from outside experts.**

18.11 Do you Implement the Measure?      YES      ☒      NO      ☐      N/A      ☐

<p><b>YES. Briefly explain:</b></p> <p>It is foreseen in section 2.2.4 of the Corporate Governance Summary, which contains the Internal Rules of Procedure for the respective Committees. Committee members not only have the support of members of Senior Management, but also from any employee of the Company, as well as from outside experts when deemed necessary.</p>
<p><b>NO. Please Explain:</b></p>
<p><b>NA. Specify the regulations that prevent adoption of the recommendation:</b></p>

Date of Implementation	September 11, 2014
Amendment Dates	February 19, 2018



**18.12. When forming its committees, the Board of Directors considers the profiles, knowledge and professional experience of the members in relation to the committee's subject matter.**

18.12 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

This is established in the Rules of Procedure for the Board of Directors contained in section 2.2.4 of the Corporate Governance Summary, which establishes that it is a function of the Board of Directors to ensure that the members of these committees have the experience and suitability to fully perform their functions, taking into consideration the profiles, knowledge and professional experience required. In addition, committee members have been appointed in 2018, in accordance with these criteria.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	June 11, 2015
<b>Amendment Dates</b>	February 19, 2018

**18.13. The minutes of each committee meeting are taken**, and a copy is forwarded to all the members of the Company's Board of Directors. If the committees have been granted decision-making powers, the minutes are adjusted to be in line with the requirements of Articles 189 and 431 of the Code of Commerce.

18.13 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Pursuant to the rules of procedure for the Board of Directors Committees section 2.2.4 of the Corporate Governance Summary, the secretary of each committee writes the minutes of each meeting, which are subject to consideration and approval in the following meeting, and at each Board meeting, the chairman of each committee submits a detailed report of the matters discussed at each meeting of the respective committee to the Board of Directors.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	December 31, 2008
Amendment Dates	February 19, 2018

18.14. Unless the applicable legal or regulatory framework requires the creation of committees, in the case of Conglomerates, the internal regulations stipulate that **the Boards of Directors of the Subordinate Companies may opt out of creating specific committees** to deal with certain matters. Instead, the Board of Directors Committees of the Parent Company may assume these tasks, without this being considered a transfer of responsibilities from the subordinate companies' Boards of Directors to the Parent Company.

18.14 Do you Implement the Measure?      YES      ☒      NO      ☐      N/A      ☐

<p><b>YES. Briefly explain:</b></p> <p>The Rules of Procedure for the Board of Directors contained in section 2.2.4 of the Corporate Governance Summary established that the Company's Board Committees may hear the matters of their areas of responsibility regarding the Group's subsidiaries and subordinate companies that decide not to form supporting committees. This is without assuming a transfer of responsibility from the subordinate companies' Boards of Directors to the Company.</p>
<p><b>NO. Please Explain:</b></p>
<p><b>NA. Specify the regulations that prevent adoption of the recommendation:</b></p>

Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

18.15. The Audit Committee's main task is to assist the Board of Directors in its function of supervision by assessing accounting procedures and relations with the Statutory Auditor and, in general, reviewing the Company's Control Architecture, including the audit of the Risk Management System implemented by the Company.

18.15 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

It is established in section 2.2.4.2.1 of the Rules of Procedure for the Committees of the Board of Directors as established in the Corporate Governance Summary, which establishes the functions of the Audit and Risk Committee and it is established that it is intended to support the Board of Directors in the monitoring and supervision of the assessment of financial reporting and information processes, risk management audit, internal control, internal audit, statutory audit and compliance, among other functions.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	January 15, 2016
<b>Amendment Dates</b>	February 19, 2018

**18.16. Audit Committee members are sufficiently experienced in accounting, finance and other related matters**, which allows them to confidently discuss issues within the committee's responsibility and understand their scope and complexity.

18.16 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

As foreseen in section 2.2.4.1 of the Rules of Procedure for the Committees of the Board of Directors contained in the Corporate Governance Summary.

The members of the Audit and Risk Committee individually, and as a whole, have extensive knowledge and experience in economics, finance, law, accounting, retail, real estate and/or business administration, which ensures that the highly complex issues of the said committee's area of responsibility are addressed properly. All of which can be verified in their resumes published on the corporate website in section "Shareholders and investors / Corporate Governance / General Shareholders Meeting/ Shareholders Meeting - 2018 / Proposals/ Resume".

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

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Date of Implementation	June 11, 2015
Amendment Dates	

**18.17.** At the request of the Chairman of the General Shareholders Meeting, **the Chairman of the Audit Committee shall inform the General Shareholders Meeting** about specific matters concerning the work done by the committee, such as the analysis of the scope and content of the Statutory Auditor's Report.

18.17 Do you Implement the Measure?

YES

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NO

☐

N/A

☐

**YES. Briefly explain:**

As is established in section 2.2.4.2.1 of the Rules of Procedure of the Board of Directors Committees included in the Corporate Government Summary, the Audit and Risk Committee must present a report corresponding to the work carried out by the Committee. This report must mainly include aspects regarding finance information and reporting, risk management, internal control systems and audit work, among other issues required by current regulations, and submit it for consideration to the Board of Directors at financial year end. The Board of Directors, then, will be able to present this report at the Shareholders Meeting at the request of the Chairman of the latter.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	February 19, 2018

**18.18.** The Internal Rules of the Audit Committee assigns the functions indicated in recommendation 18.18.

18.18 Do you Implement the Measure?

YES

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NO

☐

N/A

☐

**YES. Briefly explain:**

Section 2.2.4.2.1 of the Rules of Procedure for the Committees of the Board of Directors as established in the Corporate Governance Summary, we find the duties of the Audit and Risk Committee regarding assessment, information processes and financial reporting, risk management auditing, internal control, internal auditing and fiscal auditing, and compliance, among other duties included in recommendation 18.18.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

**18.19. The primary objective of the Appointment and Remuneration Committee is to support the Board of Directors in exercising its decision-making and advisory functions regarding the appointment and remuneration of Board Members and Senior Management, and to oversee observance of the corporate governance regulations, regularly reviewing their compliance, recommendations and principles (in cases in which this function is not expressly attributed to another committee in the Company).**

18.19 Do you Implement the Measure?

YES

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NO

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N/A

☐

<p><b>YES. Briefly explain:</b></p> <p>It is established in Section 2.2.4.2.2 of the Rules of Procedure for the Board of Directors in the Corporate Governance Summary, which contains the functions of the Appointment, Remuneration and Corporate Governance Committee, regarding matters pertaining to the appointment and remuneration of members of the Board of Directors and Senior Management, as well as oversight of compliance with corporate governance practices, among others.</p>
<p><b>NO. Please Explain:</b></p>
<p>NA. Specify the regulations that prevent adoption of the recommendation:</p>

Date of Implementation	December 31, 2008
Amendment Dates	March 17, 2015 February 19, 2018

**18.20. Some members of the Appointment and Remuneration Committee have sufficient knowledge in strategy, human resources (recruitment, selection, hiring, training, personnel management and administration), salary policy and similar matters to understand the scope and complexity of these matters in the Company.**

18.20 Do you Implement the Measure?

YES

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NO

☐

N/A

☐**YES. Briefly explain:**

The Company's Appointment, Remuneration and Corporate Governance Committee is comprised of Board Members with extensive knowledge of strategy in the areas of human resources, law, labor law and related subjects, as well as in the field of economics, finance and accounting, as can be verified in the resumes posted on the corporate website in "Shareholders and Investors / Corporate Governance / General Shareholders Meeting / Shareholders Meeting - 2018 / Proposals / Resume."

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	June 11, 2015
<b>Amendment Dates</b>	

**18.21.** At the request of the Chairman of the General Shareholders Meeting, the Chairman of the Appointment and Remuneration Committee can inform the General Shareholders Meeting about specific aspects of the work performed by the committee, i.e., monitoring of the remuneration policies for the Board of Directors and Senior Management.

18.21 Do you Implement the Measure?

YES

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NO

☐

N/A

☐**YES. Briefly explain:**

Section 2.2.4.2.2 of the Rules of Procedure for the Board of Directors Committees establishes that the Chairman of the Appointment, Remuneration and Corporate Governance Committee must attend the meetings of this body. Therefore, if requested by the Chairman of the General Shareholders Meeting, the Chairman of this Committee could submit a report on the committee's work, including monitoring of the compensation policies for the Board of Directors and Senior Management.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

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Date of Implementation	March 17, 2015
Amendment Dates	February 19, 2018

**18.22.** The Rules of Procedure for the Appointment and Remuneration Committee describe its functions as indicated in Recommendation 18.22.

18.22 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

Section 2.2.4.2.2 of the Rules of Procedure for the Board of Directors Committees in Chapter 2 of the Corporate Governance Summary establishes the functions of the Appointment, Remuneration and Corporate Governance Committee indicated in Measure 18.22.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	February 19, 2018

**18.23.** The main objective of the Risk Committee is to assist the Board of Directors in fulfilling its responsibilities of supervising risk management.

18.23 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

It is a function of the Audit and Risk Committee to assist the Board of Directors in fulfilling its responsibilities of supervising risk management. This function is included in section 2.2.4.2.1 of the Rules of Procedure for the Board of Directors contained in Chapter 2 of the Corporate Governance Summary.

<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

<b>Date of Implementation</b>	March 17, 2015
<b>Amendment Dates</b>	February 19, 2018

**18.24.** At the request of the Chairman of the **General Shareholders Meeting**, the **Risk Committee Chairman** can inform the **General Shareholders Meeting** about specific aspects concerning the work carried out by the committee.

18.24 Do you Implement the Measure?      YES ☒      NO ☐      N/A ☐

<b>YES. Briefly explain:</b>
As is established in section 2.2.4.2.1 of the Rules of Procedure of the Board of Directors Committees included in the Corporate Government Summary, the Audit and Risk Committee must present a report corresponding to the work carried out by the Committee. This report must mainly include aspects regarding finance information and reporting, among other issues required by current regulations, and submit it for consideration to the Board of Directors at financial year end. The Board of Directors, then, will be able to present this report at the Shareholders Meeting at the request of the Chairman of the latter.
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

<b>Date of Implementation</b>	March 17, 2015
<b>Amendment Dates</b>	February 19, 2018



**18.25. The Rules of Procedure for the Risk Committee describe the functions established in Recommendation 18.25**, along with any amendments necessary to distinguish between companies that are part of the financial or real sector of the economy, and without detriment to the functions assigned to this committee by current regulations.

18.25 Do you Implement the Measure?

YES

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NO

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N/A

☐

**YES. Briefly explain:**

In section 2.2.4.2.1 of the Rules of Procedure for the Board of Directors contained in the Corporate Government Summary, establishes the functions of the Audit and Risk Committee regarding risk management contained in Recommendation 18.25.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

**18.26. The main task of the Corporate Governance Committee is to assist the Board of Directors in its functions of making proposals and supervising the corporate governance measures** adopted by the Company.

18.26 Do you Implement the Measure?

YES

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NO

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N/A

☐

**YES. Briefly explain:**

In numeral 2.2.4.2.2 of the Rules and Procedures of the Board of Directors Committee contained in the Corporate Government Summary, one of the Appointment, Compensation and Corporate Government Committee's main duties is established as being the support of the Board of Directors in the compliment of its supervisory responsibilities of the corporate government rules adopted by the Company, periodically verifying said compliment.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	March 17, 2015
Amendment Dates	February 19, 2018

18.27. The Rules of Procedure for the Corporate Governance Committee describe its functions as indicated in Recommendation 18.27

18.27 Do you Implement the Measure?

YES

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NO

☐

N/A

☐

YES. Briefly explain:

Section 2.2.4.2.2 of the Rules of Procedure for the Board of Directors in the Corporate Governance Summary, which establishes the functions of the Appointment, Remuneration and Corporate Governance Committee, includes the functions of Recommendation 18.27.

NO. Please Explain:

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

#### Measure No. 19: Operation of the Board of Directors

19.1 The Chairman of the Board of Directors, with the support of the Company CEO and Secretary, prepares a work plan for the Board of Directors for the assessed period. This tool helps to determine a reasonable number of ordinary meetings per year, and their estimated duration.

19.1 Do you Implement the Measure?

YES

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NO

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N/A

☐

**YES. Briefly explain:**

In article 31 of the Social Statutes and article 7 of the Rules and Procedures of the Board of Directors, found in section 2.2.1 of the of the Corporate Government Summary, it is established that the Chairman of the Board of Directors, with the aid of the General Secretary and the Company CEO, will prepare a work plan for the Board of Directors and its Committees for each period. This plan will be submitted for consideration to the Board of Directors.

The company complied with this measure at its Board of Directors meeting on March 23, 2018, in which it clearly established the work plan to be carried out during the year.

Additionally, the work timeline was established and subsequently reviewed at the Board of Directors meeting on December 20, 2017, January 24 and March 23, 2018, at the latter of which definite approval was given.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	March 17, 2015
<b>Amendment Dates</b>	February 19, 2018

**19.2. Except for entities subject to oversight, which because of their nature are obligated to hold at least one (1) meeting per month, the Company's Board of Directors holds between eight (8) and twelve (12) ordinary meetings per year.**

19.2 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Article 32 of the Company Bylaws and part f) of the Rules of Procedure for the Board of Directors in section 2.2.1 of the Corporate Governance Summary establishes that the Board of Directors shall meet at least eight (8) times a year. In 2018, the Board of Directors held eleven (11) meetings in total, of which, eight (8) were ordinary meetings.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	

19.3. One (1) or two (2) Board Meetings a year **clearly focus on establishing and monitoring the Company's strategy.**

19.3 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

It is thus established in article 8 of the Rules and Procedures of the Board of Directors in section 2.2.1 of the Corporate Governance Summary.

During 2018, the Board of Directors held four (4) meetings in which the Company's strategy and direction were established and monitored. Said meetings were held in March, September, October and December 2018.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	Tuesday, February 10, 2015
Amendment Dates	

19.4. The Board of Directors approves a specific schedule of ordinary meetings, without detriment to it being able to hold extraordinary meetings as many times as necessary.

19.4 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

The Board of Directors approves a schedule of ordinary meetings that will be held in person without detriment to the scheduling of additional in-person and distance meetings when required. The meeting calendar of the 2018 Board of Directors was presented at the meetings held on December 20, 2017, on January 24th and March 23rd of 2018, said definite approval of which was made in the last meeting.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:
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Date of Implementation	February 10, 2015
Amendment Dates	

19.5. At least five (5) calendar days in advance, Board Members receive the meeting announcement and documents, or the information related to each item on the meeting agenda, so that they can actively participate and make reasonable decisions.

19.5 Do you Implement the Measure?

YES

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NO

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N/A

☐

YES. Briefly explain:

It is thus established in article 7 of the Rules and Procedures of the Board of Directors section 2.2.1 of the Corporate Governance Summary, that along with the call for each meeting and, with a minimum advance notice of five (5) calendar days, Board Members shall receive the meeting announcement and documents or information related to each point on the meeting agenda, so that they can actively participate and make reasonable decisions.

NO. Please Explain:

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	January 15, 2016
Amendment Dates	

19.6. The Chairman of the Board, with the assistance of the Secretary of the Board, assumes the ultimate responsibility of ensuring that the members receive information sufficiently in advance and that the information is useful. For that reason, quality must prevail over quantity in the set of documents submitted (Board of Director's dashboard).

19.6 Do you Implement the Measure?

YES

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NO

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N/A

☐

YES. Briefly explain:

<p>It is thus established in article 7 of the Rules and Procedures of the Board of Directors section 2.2.1 of the Corporate Governance Summary, that the Chairman of the Board of Directors shall assume, with the aid of their General Secretary, the ultimate responsibility for the receipt by the Board members of information in the allotted advanced time period, which is why, the set of documents shall be provided prioritizing quality over quantity.</p>
<p><b>NO. Please Explain:</b></p>
<p><b>NA. Specify the regulations that prevent adoption of the recommendation:</b></p>

Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

**19.7. The ultimate responsibility for preparing Board Meeting Agendas lies with the Chairman of the Board, and not with the Company CEO.** The Agenda follows certain parameters that make it possible to follow a logical order in the presentation of topics and discussions.

19.7 Do you Implement the Measure?	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>	N/A	<input type="checkbox"/>
<p><b>YES. Briefly explain:</b></p> <p>Pursuant to Article 31 of the Company Bylaws and article 5 of the Rules of Procedure for the Board of Directors section 2.2.1 of the Corporate Governance Summary, it is the function of the Chairman of the Board to establish the agenda for each meeting in coordination with the Company CEO and the Secretary of the Board of Directors. In practice, the Company CEO and members of Senior Management propose the agenda to the Chairman, and after his/her approval of it, the Chairman is responsible for putting the agenda into effect, as well as for the prioritization of issues to discuss according to time available and the progress of the meetings.</p>						
<p><b>NO. Please Explain:</b></p>						
<p><b>NA. Specify the regulations that prevent adoption of the recommendation:</b></p>						
Date of Implementation		March 17, 2015				

Amendment Dates	
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**19.8. Members' attendance of Board and Committee Meetings is posted by the Company in its Annual Corporate Governance Report and on its website.**

**19.8 Do you Implement the Measure?** YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

The Company disclosed information related to member attendance to the Board meetings in the Annual Corporate Governance Report, which is submitted during the General Shareholders Meeting which, in turn, is posted on the corporate website.

The Annual Corporate Government Report for 2018 can be found on the corporate web page in the "Shareholders and investors / Corporate Governance / General Shareholders Meeting / Shareholders Meeting - 2018 / Reports / Corporate Government Report" section.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 30, 2016
Amendment Dates	

**19.9. The Board of Directors annually assesses the effectiveness of its work as a governing body, as well as that of its committees and individual members, including a peer review, and the reasonableness of its internal regulations, as well as the dedication and performance of its members. On that basis, it proposes alterations to its organization and operations as it deems appropriate. In the case of Conglomerates, the Board of Directors of the Parent Company requires that the assessment be carried out in the Boards of Directors of its Subordinate Companies.**

**19.9 Do you Implement the Measure?** YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

Pursuant to article 14 of the Rules of Procedure for the Board of Directors numeral 2.2.1 of the Corporate Governance Summary, the Board of Directors and its Committees annually carry out a self-assessment process to evaluate their individual and general qualities and performance. Said internal assessment technique is also alternated with an external assessment carried out by independent advisors.

During the months of October and November 2018, the Board of Directors carried out its self- assessment with the assistance of an external advisor and in coordination with the Appointments, Remuneration and Corporate Governance Committee. Likewise, the subsidiaries assessed the members of their boards of directors.

<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

Date of Implementation	March 17, 2015
Amendment Dates	

19.10. The Board of Directors alternates between internal self-assessments and external assessments carried out by independent consultants.

19.10 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

<b>YES. Briefly explain:</b>
It is set forth in article 14 of the Rules of Procedure for the Board of Directors section 2.2.1 in the Corporate Governance Summary. For the assessment of the 2018 period, the external assessment technique was implemented.
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

Date of Implementation	January 15, 2016
Amendment Dates	

#### Measure No.20: Rights and Duties of Board Members

20.1. The Rules of Procedure for the Board of Directors add to the provisions of the regulatory framework regarding the rights and duties of Board Members.

20.1 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐



<b>YES. Briefly explain:</b>  The Rules of Procedure for the Board of Directors contained in section 2.2.1 of the Corporate Governance Summary more specifically set forth the rights and duties of Board Members established by law as well as in the Company Bylaws.
<b>NO. Please Explain:</b>  
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>  

Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

20.2. The Rules of Procedure for the Board of Directors set forth the Company's understanding of the duties of Board Members referred to in Recommendation 20.2.

20.2 Do you Implement the Measure?      YES      ☒      NO      ☐      N/A      ☐

<b>YES. Briefly explain:</b>  Article 13 of the Rules of Procedure for the Board of Directors, contained in section 2.2.1 of the Corporate Governance Summary, set forth said duties referred to in recommendation 20.2 among others, even through the non-restricted declaration of the conducts that are considered part of compliance with the duties or a violation of them.
<b>NO. Please Explain:</b>  
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>  

Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

**20.3. The Rules of Procedure for the Board of Directors set forth the Board Members' rights established in Recommendation 20.3**

20.3 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

Article 12 of the Rules of Procedure for the Board of Directors, contained in section 2.2.1 of the Corporate Governance Summary, set forth the rights of the Board Members and the specific actions that must be carried out to ensure compliance with said rights in accordance with Recommendation 20.3.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	January 15, 2016
<b>Amendment Dates</b>	February 19, 2018

**Measure No. 21: Conflicts of Interest**

**21.1. The Company has a policy and procedure defined and formalized** in its internal regulations **for the knowledge, management and resolution of conflicts of interest**, whether they are direct or indirect through Related Parties, which can affect Board Members and other Managers.

21.1 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Company has a policy and procedure for the knowledge, management and resolution of conflicts of interest, which is applicable to all the employees, administrators and Board Members. Said policy is found in the Code of Ethics and Conduct section 5.5, which sets out the definition of conflict of interest, the types of conflict that may arise, the procedure for its management and the functions and conformation of the Conflict of Interest Committee.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

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Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

**21.2. The procedure to manage conflicts of interest categorizes the conflicts based on their nature**, differentiating between sporadic and ongoing conflicts of interest. If the conflict of interest is sporadic, the applicable procedure indicates the rules and steps to follow. These must be relatively easy to manage and hard for the affected party to evade. In the event of an ongoing conflict of interest, the procedure indicates that if the situation affects the Company's overall operations, then it is considered cause for mandatory resignation by the affected party, as it will prevent the person from performing his/her role.

21.2 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Pursuant to the definition of conflicts of interest contained in Chapter 1 of the Corporate Governance Summary, as in section 5.5 of the Code of Ethics and Conduct, two types of conflicts of interest have been differentiated, as follows: (i) a conflict of interest that, in the opinion of the Conflicts of Interest Committee, affects the Company's operations as a whole and has a scale that prevents the person involved from carrying out his/her role is an ongoing conflict of interest; and ii) a conflict of interest that, in the opinion of the Conflicts of Interest Committee, can be managed according to the rules provided in the Conflict of Interest Policy, which coincides with the concept of sporadic conflict of interest.

It is the responsibility of the Conflict of Interest Committee to define the solutions and sanctions to be imposed in each case, when a violation of the duties and/or prohibitions defined in the Conflict of Interest Policy is presented, which includes, among others, the possibility of to remove from office any person who has a permanent conflict of interest that affects the operations of the Company as a whole, and that is of such magnitude that it is impossible for the person involved to exercise his/her position.

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

**21.3. Board Members, Registered Agents, Senior Management and other Managers of the Company regularly inform the Board of Directors of the direct or indirect relations** that they engage in among themselves or with other entities or structures belonging to the Conglomerate of which the issuer is a part, or with the issuer, with providers, with clients or with any other stakeholder that could result in conflicts of interest, or sway the direction of their opinion or vote. This procedure is used to construct a "Related Parties Map" for Managers.

21.3 Do you Implement the Measure?

YES

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NO

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N/A

☐

**YES. Briefly explain:**

The Transactions with Related Parties Policy in Chapter 7 of the Corporate Governance Summary sets forth the obligation of Managers and members of the Board of Directors to report to the General Counsel the people or entities with which they are connected and that could be identified as related parties, so that the Company has a map or database of related parties.

Likewise, according to section 5.5.4 of the Conflict of Interests Policy in the Code of Ethics and Conduct, the members of the Board of Directors, legal representatives, members of Senior Management and the Managers of the partnership must periodically inform the Board of Directors any direct or indirect relationships sustained among themselves or with other entities or structures belonging to the Corporate Group of which the Company makes part, or with the Company, providers or customers or any other stakeholders from which situations of conflicts of interests can be derived or influence the direction of an opinion or vote. The frequency of this report to the members of the Board of Directors is quarterly. For the Legal Representatives, members of Upper Management and other Administrators, the frequency is annual.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	January 15, 2016
<b>Amendment Dates</b>	

**21.4. Relevant conflicts of interest**, understood as those that would obligate the affected party to abstain from attending a meeting and/or participating in a vote, in which the Board Members and other Managers are **implicated are included in the public information that the Company annually posts on its website.**

21.4 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

In accordance with section 5.5.3 of the Conflict of Interest Policy in the Code of Ethics and Conduct, Company Management will reveal those situations in which, as a consequence of a possible Conflict of Interest situation of one or more members of the Board of Directors and other Administrators, the affected party will have had to abstain from participating in the respective meeting and/or vote, in the Corporate Government Report.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:
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Date of Implementation	January 15, 2016
Amendment Dates	

21.5. For these purposes, the definition of a Related Party that applies to the Company is consistent with International Accounting Standard 24 (IAS 24).

21.5 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

YES. Briefly explain:  The definition of Related Parties in the Policy for Transactions between Related Parties is effectively consistent with International Accounting Standard 24.
NO. Please Explain:
NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

#### Measure No. 22: Transactions with Related Parties

22.1. The Company has a policy that defines the specific procedure to assess, approve and disclose transactions with Related Parties, including outstanding balances and relations between them, except for transactions that have a specific regulation.

22.1 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

YES. Briefly explain:
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Chapter Seven of the Corporate Governance Summary contains the Policy for Transactions with Related Parties approved by the Board of Directors, which sets forth the procedures for assessing, approving and disclosing this kind of transaction.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	January 15, 2016
<b>Amendment Dates</b>	March 14, 2016 February 19, 2018

**22.2.** The Company's policy on transactions with Related Parties addresses the aspects covered in Recommendation 22.2.

**22.2 Do you Implement the Measure?**

YES

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NO

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N/A

☐

**YES. Briefly explain:**

Chapter seven of the Corporate Governance Summary contains the Transactions with Related Parties Policy, which regulates the aspects related to assessment, approval and disclosure covered in Recommendation 22.2.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	January 15, 2016
<b>Amendment Dates</b>	March 14, 2016 February 19, 2018

**22.3** The policy does not require express authorization from the Board of Directors for recurring transactions with Related Parties inherent to the Company's ordinary course of business carried out by virtue of standard form contracts or general framework contracts of which the terms are perfectly standardized, are applied on a mass scale, and carried out at market prices, generally set by the acting supplier of the good or service in question, and of which the individual amount is not relevant to the Company.

22.3 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

It has been established in Chapter Seven of the Corporate Governance Summary, which contains the Transactions with Related Parties Policy, that recurring transactions with Related Parties (i.e. those that correspond to the ordinary course of business of the Company) and that are also non-material (i.e. their amount is not relevant in accordance with that provided therein) do not require the express authorization of the Board of Directors. Nevertheless, these transactions must be presented to the Audit and Risk Committee for information purposes once a year, in a report prepared by the General Secretariat.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	January 15, 2016
Amendment Dates	March 14, 2016 February 19, 2018

**Measure No. 23: Remuneration of Board Members**

23.1. The company has a **Remuneration Policy for the Board of Directors, approved by the General Shareholders Meeting**, and revised every year, which identifies all the remuneration components that can effectively be met. These components can be fixed or variable. They may include fixed fees for being a member of the Board of Directors, fees for attendance at meetings of the Board and / or its Committees and other emoluments of any kind earned during the year, whatever their cause, in cash or in kind, as well as the obligations contracted by the company in terms of pensions or payment of life insurance premiums, or other concepts, in respect of both old and current members, as well as those insurance premiums for civil liability (D & O policies) contracted by the company in favor of the members of the Board of Directors.

23.1 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

The Remuneration Policy for the Board of Directors approved by the General Shareholders Meeting, established in section 2.2.3 of the Corporate Governance Summary, establishes the criteria to determine the compensation of the members of the Board of Directors and of its supporting Committees. Said policy establishes that the value of the professional fees for the subsequent period shall be defined by the General Shareholders Meeting at the session where they are elected, taking into account that the members shall have the right to the same remuneration based on professional fees for attending in person and distance meetings.

<b>NO. Please Explain:</b>	
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>	

<b>Date of Implementation</b>	June 11, 2015
<b>Amendment Dates</b>	

**23.2. If the Company adopts compensation systems based on the recognition of a variable component** related to the Company's good performance in the medium and long term, the Remuneration Policy must include limits to the amount that the Board of Directors can distribute. If the variable component is related to the Company's benefits or other management indicators at the close of the year being assessed, the Company must consider the possible reservations listed in the Statutory Auditor's Report, which could bring down the period's results.

23.2 Do you Implement the Measure?      YES      ☐      NO      ☒      N/A      ☐

<b>YES. Briefly explain:</b>	
<b>NO. Please Explain:</b> Pursuant to the criteria that must be taken into account by the General Shareholders Meeting when establishing the compensation of Board Members, which are included in the Remuneration Policy for the Board of Directors, the Company has not adopted the recognition of variable components for Board Members.	
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>	

<b>Date of Implementation</b>	
<b>Amendment Dates</b>	

**23.3. Equity and Independent Board Members are expressly excluded from compensation systems that include stock options or variable compensation** based on the absolute variation of the share price.

23.3 Do you Implement the Measure?      YES      ☒      NO      ☐      N/A      ☐

<b>YES. Briefly explain:</b>	
Pursuant to the Board of Directors Remuneration Policy, contained in section 2.2.3 of the Corporate Governance Summary, the remuneration of Board Members is based on professional fees for attending in-	



person and distance meetings, and is the same for all members, except for the Chairman of the Board of Directors. Therefore, the Company has not adopted compensation systems that incorporate stock options or variable compensation.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	June 11, 2015
<b>Amendment Dates</b>	

23.4. For each period assessed and in the framework of the remuneration policy, the General Shareholders Meeting approves a maximum cost of the Board of Directors for all the approved reimbursable expenses.

23.4 Do you Implement the Measure?

YES

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NO

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N/A

**YES. Briefly explain:**

The Remuneration Policy for the Board of Directors as set in section 2.2.3 of the Corporate Governance Summary, establishes that it is the General Shareholders Meeting that indicates the value of the fees for the members of the Board of Directors and of the respective committees for each period at the meeting for the election of them for the corresponding period.

At the meeting of the General Assembly of Shareholders of 2018, the remuneration of the members of the Board of Directors was approved, which can be seen on the corporate website in "Shareholders and Investors / Corporate Governance / General Shareholders Meeting / Shareholders Meeting - 2018 / Decisions / Relevant Decisions of the shareholders meeting."

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	June 11, 2015
<b>Amendment Dates</b>	

**23.5. The total effective cost of the Board of Directors during the assessed period, which includes all the components of compensation paid to Board Members, as well as reimbursed expenses, is disclosed to the shareholders and posted on the Company's website, broken down and shown in detail, as approved by the Board of Directors.**

23.5 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

The total annual cost of the Board of Directors, which includes all the compensation components, is published in the Annual Corporate Governance Report, which is submitted to the Ordinary General Meeting of Shareholders. Additionally, said report is posted on the corporate website in "Shareholders and Investors / Corporate Governance / General Shareholders Meeting / Shareholders Meeting - 2018 / Reports / Corporate Governance Report."

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	

**Measure No. 24: Company CEO and Senior Management**

**24.1. The Company's governance model establishes an effective separation between its administration or governance (represented by the Board of Directors) and the regular course of business (under Senior Management and headed by the Company CEO).**

24.1 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

The Company's governance model in force establishes a clear separation between its administration or governance (Board of Directors) and the ordinary course of business (Senior Management), which is shown in the Company Bylaws. Said bodies have functions clearly separated and defined in the Company Bylaws as well as in the Company's Corporate Governance Summary.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	March 17, 2015
Amendment Dates	

**24.2. Generally, the policy of the Board of Directors consists of delegating the regular course of business** to the Senior Management team, focusing its activity on the general functions of strategy, supervision, governance and control.

24.2 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Both the Rules of Procedure for the Board of Directors in section 2.2.1 contained in the Corporate Governance Summary, as well as the Company Bylaws, establish the functions of the Board of Directors, the CEO and Registered Agents of the Company. These demonstrate that the Board of Directors has clear functions related to the Company's strategy, control, supervision and governance. In turn, the CEO was assigned functions related to the Company's ordinary course of business.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	March 17, 2015
Amendment Dates	

**24.3. As a general rule, members of Senior Management are met, assessed and appointed directly by the Company CEO, as they are his/her direct employees. Alternatively, the Company may opt to have the Board of Directors appoint members of Senior Management at the recommendation of the Company CEO.** Regardless of who makes the final appointment, candidates for key executive positions in the Company are met and assessed by the Appointment and Remuneration Committee of the Board of Directors, which will issue a statement with its opinion.

24.3 Do you Implement the Measure?

YES

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NO

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N/A

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<b>YES. Briefly explain:</b>  Pursuant to part g) of Article 34 of the Company Bylaws, the Board of Directors is responsible for appointing the Chairman, Secretary and Internal Auditor, as well as appointing the Retail Operations President and Vice-Presidents in accordance with the proposal made by the Company CEO. The assessment of members of Senior Management is carried out by the Appointment, Remuneration and Corporate Governance Committee.
<b>NO. Please Explain:</b>  
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>  

Date of Implementation	March 17, 2015
Amendment Dates	

**24.4. The Company has a clear policy regarding delegation of functions** approved by the Board of Directors and/or a system of power that describes the levels of power of the Company CEO and other members of Senior Management.

24.4 Do you Implement the Measure?      YES    ☒      NO    ☐      N/A    ☐

<b>YES. Briefly explain:</b>  Articles 36 to 39 of the Company Bylaws contain the powers and functions of the CEO and the other representatives of the Company, reporting their levels of power. Additionally, the Company has an established organizational structure approved by the Board of Directors, through which the functions are defined for members of Senior Management.
<b>NO. Please Explain:</b>  
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>  

Date of Implementation	September 11, 2015
Amendment Dates	

**24.5. The Board of Directors**, acting through the Appointment and Remuneration Committee or the committee that fulfills its functions, annually leads the performance evaluation of the Company CEO and is informed of the assessments of other members of Senior Management.

24.5 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

It is established in section 2.2.4.2.2 of the Corporate Governance Summary that it is a function of the Appointment, Remuneration and Corporate Governance Committee to evaluate the CEO and other Managers of the Company according to the duties and responsibilities appointed to them.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	January 15, 2016
Amendment Dates	

**24.6. The Company has a remuneration policy for its CEO and other members of Senior Management approved by the Board of Directors**, which identifies all the components for compensation that can be effectively satisfied. These are tied to the fulfillment of long-term targets and risk levels.

24.6 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

The Company has a Senior Management Remuneration and Assessment Policy contained in section 2.3.1 of the Corporate Governance Summary, which defines all the components of full compensation that the Company will offer according to the achievement of previously set targets.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	September 14, 2016
Amendment Dates	

**24.7. If the Company CEO's compensation includes both a fixed and variable component, its technical design and calculation will keep the variable component from exceeding the maximum limit established by the Board of Directors.**

**24.7 Do you Implement the Measure?**

YES

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NO

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N/A

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**YES. Briefly explain:**

The Senior Management Compensation and Assessment Policy stated in section 2.3.1 of the Corporate Governance Summary establishes that the remuneration of the CEO and of the other members of Senior Management has a fixed and a variable component. It also establishes a way of calculating the variable component that prevents it from exceeding the maximum amount established for them.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	September 1, 2015
Amendment Dates	September 14, 2016

## CONTROL ARCHITECTURE

**Measure No. 25: Ambiente de Control.**

**25.1. The Board of Directors is ultimately responsible for establishing a solid control environment in the Company adapted to its nature, size, complexity and risks, and that complies with the budgets set forth in Recommendation 25.1.**

**25.1 Do you Implement the Measure?**

YES

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NO

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N/A

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**YES. Briefly explain:**

Pursuant to Section 34.3, parts a), b) and c), of Article 34 of the Company Bylaws, and Chapter 4, Section 2.2.1 of the Corporate Governance Summary, the Board of Directors has the duty to:

- a) Ensure there is an adequate control environment in the Company and its subsidiaries, establishing a control architecture for all companies of the Group and supervising the effectiveness thereof.

- b) Approve the risk policy and delegation of the same, periodically monitoring the Company's main risks, including those assumed due to off balance-sheet operations.
- c) Approve, monitor and verify the efficiency of internal control systems using procedures, risk management systems and alarms approved by the Board of Directors.

Therefore, the Control Architecture is defined in the Company, in accordance with Chapter Eight of the Corporate Governance Summary, which includes the control environment component, adapted to the nature, size, complexity and risks of the Company, which was approved by the Board of Directors in 2015. Through its Audit and Risk Committee, the Board of Directors knew and monitored the Company's control environment and risk management in 2018.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	March 17, 2015
<b>Amendment Dates</b>	

**25.2. In the case of Conglomerates,** the Parent Company's Board of Directors **will strive for a Control Architecture with a consolidated** and formal scope that encompasses all the Subordinate Companies, establishing responsibilities for conglomerate policies and guidelines on this matter, and defining clear reporting lines that provide a consolidated vision of the risks to which the Conglomerate is exposed, and the control measures needed.

**25.2 Do you Implement the Measure?**

YES

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NO

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N/A

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**YES. Briefly explain:**

Pursuant to Section 34.3, Article 34, of the Company Bylaws, the Company's Board of Directors approved the Control Architecture Policy, defined in Chapter 8 of the Corporate Governance Summary, with which it promotes a culture of appropriate risk management and control in the Company and its subsidiaries; defines roles and responsibilities about risk management, internal control and evaluation, as well as reporting and monitoring; and it defines the consideration of the risks that derive from strategic definitions and business processes, to carry out monitoring, evaluation and management. However, the subsidiaries can apply their own policies, meeting the special regulations or standards given by their location or type of business, provided that they are compatible with the general principles established by the Parent Company.

Additionally, in 2018, the Company constantly interacted with and monitored its subsidiaries through Management's participation in the governance bodies and key areas of the Control Architecture, such as enterprise risk management and the internal audit, as well as the coordination of the Statutory Audit with its counterparts in each subsidiary.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	January 15, 2016
Amendment Dates	

**Measure No. 26: Risk Management.**

**26.1. The risk management objectives** in the Company are those established in Recommendation 26.1.

26.1 Do you Implement the Measure?      YES ☒      NO ☐      N/A ☐

**YES. Briefly explain:**

The Company has established a risk management model by levels, with differentiated roles, responsibilities and reports in each one, which was updated and validated by the Audit and Risk Committee in May 2017.

Activities of identification, assessment, monitoring and regular reporting are carried out at all these levels pursuant to Recommendation 26.1, which are described in "Architecture Control" Chapter Eight of the Corporate Governance Summary.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	September 11, 2014
Amendment Dates	January 15, 2016

**26.2. The Company has a risk map**, which is used to identify and monitor the financial and non-financial risks to which it is exposed.

26.2 Do you Implement the Measure?      YES ☒      NO ☐      N/A ☐

**YES. Briefly explain:**

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The Company has a corporate-strategic risk map that is regularly communicated to Senior Management, the Audit and Risk Committee and the Board of Directors, as well as business risk maps, which are regularly updated, communicated to the management of each business and regularly communicated to the Internal Risk Committee.
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

Date of Implementation	September 11, 2014
Amendment Dates	December 12, 2016 May 10, 2018

**26.3. The Board of Directors is responsible for defining a risk management policy and setting maximum exposure limits for each risk identified.**

26.3 Do you Implement the Measure?

YES

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NO

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N/A

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<b>YES. Briefly explain:</b>
Pursuant to Section 34.3, part b), of Article 34 of the Company Bylaws, the Board of Directors is responsible for approving the Risk Policy, delegating risks, and regularly monitoring the Company's main risks, including those assumed in off balance-sheet operations. To do this, the Board of Directors has approved the Risk Management Policy included in the Corporate Governance Summary.
At its meeting in November 2017, the Board of Directors validated the risk appetite for strategic risks and the level of risk delegation according to the appetite.
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

Date of Implementation	September 11, 2014
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Amendment Dates	January 15, 2016
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**26.4. The Board of Directors is aware of and regularly supervises** the Company's effective exposure to the established maximum risk limits and proposes actions to correct and monitor them in case of deviations.

26.4 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

The Rules of Procedure for the Board of Directors and the Company's Enterprise Risk Management Policy establish that the functions of the Board of Directors and the Audit and Risk Committee include regular supervision of the effective application of the Company's enterprise risk management.

For the 2018 period, the Audit and Risk Committee reviewed risk management in 2017 at the meeting in May 2018, and at the meeting in November, it monitored and made recommendations for risk assessment and the actions plans established for strategic-corporate risks.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	

**26.5. In the framework of the Risk Management Policy, Senior Management owns the processes and is responsible for risk management,** which includes identifying, assessing, measuring, controlling, monitoring and reporting risks, defining methodologies, and ensuring that risk management is consistent with the strategy, the risk policy and the approved maximum limits.

26.5 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

Pursuant to Chapter 8 of the Corporate Governance Summary, it is Senior Management's responsibility to implement and maintain the Enterprise Risk Management System and align it with the strategy.

The strategic-corporate risks are identified, defined, assessed and managed directly by the Company's Senior Management, so that the established action plans are directed by Senior Management for execution by the different process owners.

<b>NO. Please Explain:</b>
<b>NA Specify the regulations that prevent adoption of the recommendation:</b>

<b>Date of Implementation</b>	September 11, 2014
<b>Amendment Dates</b>	

**26.6. The Company has a risk delegation policy**, approved by the Board of Directors, which establishes the risk limits that can be directly managed by each level in the Company.

**26.6 Do you Implement the Measure?** YES ☒ NO ☐ N/A ☐

<b>Briefly explain:</b>
The Board of Directors approved the Risk Management Policy contained in the Corporate Governance Summary. Additionally, at its meeting in November 2017, it approved the strategic risk delegation rules according to the risk appetite and assessment of them, in line with the organizational structure approved by the Board of Directors. During 2018, it monitored the evolution of the risk assessment according to the defined risk appetite.
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

Date of Implementation	September 1, 2015
Amendment Dates	

**26.7. In Conglomerates, risk management must be consolidated** to contribute to the cohesion and control of group companies.

26.7 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

In its risk management model, the Company has defined a strategic level and a level of the Company's businesses. At the first level, the focus is on risks that affect compliance with the Company's strategic pillars with a vision from the corporation with a Group scope. At the second level, the focus is on the risks that affect each one of the Company's businesses.

In accordance with the risk management model, the risk management system of the subordinated companies in which 100% shareholding is held, which are referred to under the model as "business," is administered from the matrix. For the rest of the subordinates there is a monitoring and reporting system, as well as synergies in risk management measures.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	September 11, 2014
Amendment Dates	January 15, 2016

**26.8. If the Company has a complex and varied structure of businesses and operations, it shall have a Chief Risk Officer (CRO), who is responsible at the Conglomerate level when dealing with integrated companies in situations of control and/or business groups.**

26.8 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

In the Company's organizational structure, the Enterprise Risk Management Leader has the role of CRO and reports to Corporate Affairs Management.
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

Date of Implementation	September 11, 2014
Amendment Dates	

**Measure No. 27: Control Activities**

**27.1. The Board of Directors is responsible for ensuring the existence of an adequate internal control system** that is adapted to the Company and its complexity, and that is consistent with the risk management in effect.

27.1 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

According to Section 34.3, part c), of Article 34 of the Company Bylaws, it is the duty of the Board of Directors to approve, monitor and verify the effectiveness of the internal control systems pursuant to the procedures, risk control systems and alarms that the same Board of Directors has approved. Furthermore, the Rules of Procedure for the Audit and Risk Committee of the Board of Directors contained in section 2.2.4.2.1 of the Corporate Governance Summary define said function related to the Internal control System, as support for the Board of Directors.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	

**27.2. The Board of Directors is responsible for supervising the effectiveness and suitability of the internal control system.** It may delegate this responsibility to the Audit Committee, but the Board continues to be responsible for its oversight.

27.2 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

Pursuant to Article 34, Section 34.3, part c), of the Company Bylaws, it is the duty of the Board of Directors to approve, monitor and verify the efficiency of internal control systems pursuant to the procedures, risk control systems and alarms approved by the same Board of Directors. Furthermore, the Rules of Procedure for the Audit and Risk Committee of the Board of Directors contained in section 2.2.4.2.1 of the Corporate Governance Summary define said function related to the Internal control System, as support for the Board of Directors.

In 2018, the Audit and Risk Committee met eight (8) times and supervised the Internal Control System and risk management, mainly through the reports received by the Internal Audit Department and Statutory Auditor. It also validated the updated Enterprise Risk Management Model in May and November. Said committee submitted a report of its activity to the Board of Directors after holding the meeting.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	

**27.3. The Company applies and demands the principle of self-control,** understood as the “capacity of people that participate in the different processes to consider control as an inherent part of their responsibilities, fields of action, and decision-making”.

27.3 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

The Company has implemented a Self-Control Program, which, as defined in Chapter 8 of the Corporate Governance Summary, is based on the principle understood as the “capacity of people to consider control as an inherent part of their responsibilities, fields of action, and decision-making”. It requires that those who participate in the different processes understand control as part of the responsibilities derived from the same processes to ensure that each one of the identified risks is adequately managed and that the effectively developed policies, processes, controls and measures are applied in practice. Additionally, the Self-Control Program is defined in the Enterprise Risk Management Policy as the reporting line of the Enterprise Risk Management and Control System at the operating level.

As one of the mechanisms provided in the Company, self-control software has been implemented at a self-control, corporate and operating level, which during 2018, allowed the process leaders to carry out a self-assessment every six months of their most critical risks and key controls, establishing corrective action plans when diversions were detected.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	December 31, 2001
<b>Amendment Dates</b>	

**Measure No. 28: Information and Communication.**

**28.1. The Company's culture, philosophy and risk policy are communicated downward and horizontally across the company, as are the approved risk exposure limits, so that the entire organization can consider risks and control activities in its endeavors.**

28.1 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Control Architecture approved by the Board of Directors provides mechanisms to ensure communication within the different levels of the descending and horizontal organizational structure of the risks and control activities of each process.

Different workshop and interview sessions were carried out in 2018 to assess each risk, define the current and future risk management measures, and define the scenarios, which had the participation of Senior Management regarding the strategic risks and the owners or managers of each business for business risks.

<p>Additionally, the business risks were reported to the Internal Risk Committee, in which the different risk managers and Internal Audit Department participated. In turn, the strategic risks were reported to the Audit and Risk Committee and the Board of Directors.</p>
<p><b>No, Please Explain:</b></p>
<p><b>NA. Precise las normas que impiden adoptar la recomendación:</b></p>

Date of Implementation	January 15, 2016
Amendment Dates	

**28.2. In the Company, there is a bottom-up information reporting mechanism** (up to the Board of Directors and Senior Management) which is accurate, understandable and complete, supporting and enabling informed decision-making and risk and control management.

28.2 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

<p><b>YES. Briefly explain:</b></p> <p>In Chapter 8 of the Corporate Governance Summary, the Enterprise Risk Management Policy of Control Architecture has defined the reporting mechanisms up to Senior Management and the Board of Directors through the Audit and Risk Committee.</p> <p>For the reporting and communication of risk management, there are different reporting levels, as follows:</p> <ul style="list-style-type: none"> <li>- Strategic level: Board of Directors, Audit and Risk Committee, Executive Committee and Senior Management. For the 2018 period, the Audit and Risk Committee reviewed risk management in 2017 at the meeting in May 2018, and at the meeting in November, it monitored and made recommendations for risk assessment and the actions plans established for strategic corporate risks.</li> <li>- Tactical level: Persons responsible for businesses and the Internal Risk Committee. The risk maps were validated in 2018 by those responsible for the businesses and some of the main risks were presented at the Internal Risk Committee.</li> <li>- Operating level: Process owners. In 2018, with the Self-Control Program, each one of the process owners had access to reports of their own self-assessment of risks and controls in the system provided for that purpose. Additionally, consolidated reports of the results were submitted to Senior Management.</li> </ul>
<p><b>NO. Please Explain:</b></p>



NA. Precise las normas que impiden adoptar la recomendación:	
Date of Implementation	January 15, 2016
Amendment Dates	

**28.3. The Company's mechanism for communicating and reporting information** allows: i. Senior Management to involve the entire Company, highlighting its responsibility in risk management and establishment of controls; and ii. Company personnel to understand its role in risk management and identification of controls, as well as its individual contribution with respect to the work of others.

28.3 Do you Implement the Measure?

YES

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NO

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N/A

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<b>YES. Briefly explain:</b>	
In Chapter 8 of the Corporate Governance Summary, the Enterprise Risk Management Policy establishes roles and responsibilities in risk management for the different levels of the Organization from those responsible for processes up to the Board of Directors. Additionally, the flow of communication established in the Company's Control Architecture allows Senior Management to involve the whole organization at the strategic, tactical and operational levels, highlighting its responsibility regarding risk management, the identification and definition of control activities and reporting.	
<b>NO. Please Explain:</b>	
<b>Specify the regulations that prevent adoption of the recommendation:</b>	
Date of Implementation	January 15, 2016
Amendment Dates	

**28.4. The Company provides internal lines for anonymous reporting or whistleblowers**, which allow employees to anonymously report illegal or unethical behavior, or anything that can get in the way of its risk management and control culture. A list of these reports is submitted to the Company's Board of Directors.

28.4 Do you Implement the Measure?

YES

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NO

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N/A

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<p><b>YES. Briefly explain:</b></p> <p>The Transparency Policy approved by the Board of Directors, contained in the Corporate Governance Summary provides the following as mechanisms for receiving reports by email: <a href="mailto:etica@grupo-exito.com">etica@grupo-exito.com</a> or telephone 018000-522526, and the ethics form on the corporate intranet and website. These mechanisms provide the opportunity to make the reports anonymously if the person reporting the event prefers. The management of these channels is the responsibility of a specialized and independent third party of the Company, which encourages the use of these channels and helps the reporter to provide better quality information freely and spontaneously.</p> <p>The Company's Ethics Committee and the Operating Anti-Fraud and Anti-Corruption Committee monitored the statistics and management of the cases reported through these channels in 2018. Likewise, during the same year, the Board of Directors has known a monthly written report on the main statistics of the reports received in the complaint channels, and in October 2018, in session of the Audit and Risk Committee of the Board of Directors, a consolidated report of the year's management was present. Finally, this information is included in the Corporate Governance Report.</p>	
<p><b>NO. Please Explain:</b></p>	
<p><b>NA. Specify the regulations that prevent adoption of the recommendation:</b></p>	

<b>Date of Implementation</b>	September 11, 2014
<b>Amendment Dates</b>	January 15, 2016

**Measure No. 29: Monitoring of Control Architecture**

**29.1. In the Company, through the Audit Committee, the Board of Directors is responsible for supervising the effectiveness of the different components of the Control Architecture.**

29.1 Do you Implement the Measure?      YES      ☒      NO      ☐      N/A      ☐

<p><b>YES. Briefly explain:</b></p> <p>Pursuant to Article 34, Section 34.3, part c), of the Company Bylaws, it is the duty of the Board of Directors to approve, monitor and verify the efficiency of internal control systems pursuant to the procedures, risk control systems and alarms approved by the same Board of Directors. Additionally, the Rules of Procedure of the Audit and Risk Committee of the Board of Directors contained in section 2.2.4.2.1 of the Corporate Governance Summary define the functions in relation to the Internal Control System, in support of the Board of Directors.</p>
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In 2018, the Audit and Risk Committee met eight (8) times and supervised the different components of the Internal Control System and risk management, mainly through the reports received by Senior Management, the Enterprise Risk Management Department, the Internal Audit Department and Statutory Auditor. Said committee submitted a report of its activity to the Board of Directors after holding the meeting.	
<b>NO. Please Explain:</b>	
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>	

<b>Date of Implementation</b>	March 17, 2015
<b>Amendment Dates</b>	

**29.2.** In the Company, **monitoring tasks aimed at ensuring Control Architecture effectiveness** primarily involve the **Internal Audit Department in collaboration with the Statutory Auditor** in matters inherent to their responsibility, and particularly, regarding financial information generated by the Company.

**29.2 Do you Implement the Measure?**

YES

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NO

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N/A

☐

<b>YES. Briefly explain:</b>
Chapter 8 of the Corporate Governance Summary, which contains the Company's Control Architecture Policies, establishes that the work of the Internal Audit Department is independent and objective assurance and inquiry, aimed at assessing and improving the effectiveness of the risk management, control and corporate governance processes helping to achieve its objectives. Furthermore, its activity is regulated by the Company's Internal Audit Charter. Additionally, the role of the Statutory Auditor is stipulated, who carries out external control and provides financial and accounting auditing services according to the requirements stipulated by law.
During 2018, the Internal Audit and the Statutory Auditor, exercised their role as established therein, informing about their management before the Audit and Risk Committee of the Board of Directors.
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

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Date of Implementation	January 15, 2016
Amendment Dates	

**29.3. The Company's Internal Audit Department has an Internal Audit Charter approved by the Audit Committee,** which expressly describes the scope of its functions on this matter, which should encompass the topics indicated in Recommendation 29.3.

29.3 Do you Implement the Measure?

YES

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NO

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N/A

☐

**YES. Briefly explain:**

The Internal Audit Bylaw is defined by the Board of Directors through its Audit and Risk Committee. This includes the topics indicated in Recommendation 29.3 regarding the scope of the Internal Audit Department's functions. It also covers the good practices defined in the standards of the international framework for the professional internal audit practice issued by the Institute of Internal Auditors – IIA Global.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	November 19, 2014
Amendment Dates	

**29.4. The top Internal Audit Department Director maintains a relationship of professional independence from Senior Management** in the Company or Conglomerate that hired him/her by means of a functional dependence exclusive to the Audit Committee.

29.4 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

Pursuant to Article 59 of the Company Bylaws, the Internal Auditor depends professionally and operationally on the Board of Directors, which shall be responsible for the appointment and removal of candidates proposed by the Audit and Risk Committee.

In turn, this is defined in the Internal Audit Bylaw approved by the Board of Directors through its Audit and Risk Committee. In 2018, the Internal Audit Department ratified its independence before the Board's Audit and Risk Committee at its meeting in December 11.

**NO. Please Explain****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	March 17, 2015
<b>Amendment Dates</b>	

**29.5. In the Company, the Board of Directors is responsible for appointing and dismissing the Internal Audit Department Director, at the suggestion of the Audit Committee, and the market is notified of any dismissal or resignation.**

29.5 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

Pursuant to Article 59 of the Company Bylaws, it is the responsibility of the Board of Directors to appoint the Internal Auditor from the candidates provided by the Audit and Risk Committee, as well as for the Internal Auditor's dismissal. In 2018, there were no changes to the appointment of the Company's Internal Auditor.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

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Date of Implementation	March 17, 2015
Amendment Dates	

**29.6. The Statutory Auditor in the Company or Conglomerate is clearly independent from them** and declares said independence in the respective audit report.

29.6 Do you Implement the Measure?

YES

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NO

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N/A

☐

**YES. Briefly explain:**

The independence of the Statutory Auditor is a necessary condition for its nomination by the Board of Directors and its appointment by the Shareholders' Meeting pursuant to Chapter 8 of the Corporate Governance Summary, monitoring title of the control architecture, of the Corporate Governance Summary, the Statutory Auditor must inform the Audit and Risk Committee, among others, whether the condition of independence with respect to the Company or its related parties is maintained.

At the meeting of the Board's Audit and Risk Committee in February 2018, the Statutory Audit firm issued its independent opinion on the financial information of 2017. Furthermore, in 2018, the audit firm and the individuals appointed as principal and alternate Statutory Auditors independently provided the Statutory Audit (external audit) service, which must be declared at the meeting of the Board's Audit and Risk Committee in February 2019.

**NO. Please Explain:**

**NA.: Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	January 15, 2016
Amendment Dates	

**29.7. If the Company acts as Parent Company of a Conglomerate, the Statutory Auditor is the same for all companies, including any offshore companies.**

**29.7 Do you Implement the Measure?**

YES

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NO

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N/A

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**YES. Briefly explain:**

**NO. Please Explain:**

It is defined in Chapter 8 under the Monitoring of The Corporate Control Architecture, Statutory Auditor and External Control, the Corporate Governance Summary indicates that the Statutory Audit service shall be assigned for the Company and its subsidiaries and/or subordinate companies with the same firm and with a common and shared vision of the Corporate Group. Despite the above and the fact that the vast majority of the subordinate companies have the same Statutory Audit firm, some subsidiaries domiciled outside of Colombia (Uruguay and Argentina) do not hire the services of the same Statutory Audit firm that the Company hires.

**NA. Specify the regulations that prevent adoption of the recommendation:**

**Date of Implementation**

**Amendment Dates**

**29.8. The Company has a policy for the appointment of the Statutory Auditor** approved by the Board of Directors and disclosed to all Shareholders, which includes the provisions set forth in Recommendation 29.8.

**29.8 Do you Implement the Measure?**

YES

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NO

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N/A

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**YES. Briefly explain:**

Chapter 8, section on the Control Architecture monitoring, Statutory Auditor and External Control of the Corporate Governance Summary contains the policies established in Recommendation election of the Statutory Auditor.

During 2018, these definitions were applied by Senior Management, the Audit and Risk Committee, the Board of Directors and the General Shareholders Meeting in the process of election of the current Statutory Auditor.

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:
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Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

**29.9.** In order to prevent an excessively long relationship between the Company and the Statutory Audit firm and/or its teams, and to maintain their independence, **the Company has established a maximum contract term ranging from five (5) to ten (10) years. For the Statutory Auditor, an individual not connected to a firm, the maximum contract term is five (5) years.**

29.9 Do you Implement the Measure?

YES

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NO

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N/A

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YES. Briefly explain:
NO. Please Explain:
<p>A maximum term for the Company to be able to re-elect the Statutory Audit firm was not set forth in the Company Bylaws or policies. However, it was established in the Corporate Governance Summary that individuals who perform the functions of Statutory Auditor inside said firm must be rotated at least once every five (5) years.</p> <p>During 2018, a transition was made to rotate the personnel (partners) that perform the function of Statutory Auditor for the Group's companies.</p>
NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	
Amendment Dates	



**29.10.** As part of the maximum contract term, the Company **promotes rotation of the Statutory Audit firm's partner assigned to the Company** and its work teams at the half-way point of the period. At the end of the period, the firm is required to rotate such personnel.

**29.10 Do you Implement the Measure?**

YES

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NO

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N/A

☐

**YES. Briefly explain:**

Pursuant to Chapter 8 for the Architecture of Control, Statutory Auditor and External Control of the Corporate Governance Summary, the Company promotes the rotation of the partner of the Statutory Audit firm and its work team.

During 2018, a transition was made to rotate the personnel (partners and staff members) that perform the function of Statutory Auditor for the Group's companies

**NO. Briefly explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

**Date of Implementation**

August 29, 2012

**Amendment Dates**

**29.11.** In addition to the existing ban on hiring professional Statutory Audit services other than the Company's own financial auditor, and other functions recognized in current regulations, the Company extends this limitation to individuals or entities related to the Statutory Audit firm. These entities include companies in its own group as well as companies with a large number of partners and/or managers in common with those of the Statutory Audit firm.

**29.11 Do you Implement the Measure?**

YES

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NO

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N/A

☐

**YES. Briefly explain:**

Pursuant to Chapter 8 of the Corporate Governance Summary, the Company extends this limitation of the recommendation to individuals or entities related to the hired Statutory Audit firm. The entities include companies of the Corporate Group, as well as companies with a large number of partners and/or managers in common with those of the Statutory Audit firm. This definition was complied with in 2018.

**NO. Please Explain**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	January 15, 2016
Amendment Dates	

**29.12.** In its public information, the Company discloses the total amount of the contract with the Statutory Audit firm, as well as the proportion of professional fees paid by the Company out of the firm's total revenue from its statutory audit activity.

29.12 Do you Implement the Measure?

YES

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NO

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N/A

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**YES. Briefly explain:**

On its website, the Company posts the annual value of the professional fees paid to the Statutory Audit firm for its services, as well as the proportion it represents of the firm's total revenue from its statutory audit activity.

The certification can be found in section "Shareholders and Investors / Corporate Governance / Corporate Governance Overview / Certifications and other documents."

**NO. Please Explain:**

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	December 31, 2016
Amendment Dates	

## V. TRANSPARENCY OF FINANCIAL AND NON-FINANCIAL INFORMATION

## Measure No. 30: Information Disclosure Policy

**30.1. The Board of Directors has approved an Information Disclosure Policy**, which identifies at least the information described in the recommendation.

30.1 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

The Information Disclosure Policy approved by the Board of Directors is contained in Chapter 5 of the Corporate Governance Summary and covers the information addressed in Recommendation

In 2018, the Disclosure Committee submitted to the Auditing and Risks Committee the Procedure for Financial and Non-financial Information Disclosure which was approved in the meeting held in February 19 through which the people responsible and criteria for correct management and control of the preparation and disclosure of financial and non-financial information to the financial and capital markets are defined. It also established information deemed relevant for stakeholders, aiming for them to have appropriate awareness of the situation, evolution and running of the Company, facilitating sufficient information for informed decision-making and ensuring its clarity, veracity, sufficiency, timeliness and compliance with the legal regulations.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

**30.2. In the case of Conglomerates, disclosure of information to third parties regarding the set of companies** is comprehensive and complete, thus allowing external entities to form an opinion based on the Conglomerate's actual situation, organization, complexity, activity, size and governance model.

30.2 Do you Implement the Measure? YES ☒ NO ☐ N/A ☐

**YES. Briefly explain:**

The Company discloses the financial and non-financial information required by law regarding the Company itself as well as the group of companies that form the Conglomerate.

In 2018, the Disclosure Committee presented to the Audit and Risk Committee the Procedure for Disclosure of Financial and Non-Financial Information, for consideration and approval during its meeting on February 19, which established the steps to follow for financial and non-financial information disclosure by the companies that are part of the Conglomerate.
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

Date of Implementation	May 29, 2015
Amendment Dates	February 19, 2018

**Measure No. 31: Financial Statements**

31.1. In the event that the Statutory Auditor's Report contains reservations, the Audit Committee Chairman shall make a **statement to the shareholders** gathered at the General Shareholders Meeting about the reservations and the actions the Company proposes to resolve them.

31.1 Do you Implement the Measure?

YES

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NO

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N/A

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<b>YES. Briefly explain:</b>
The Statutory Auditor's Report submitted to the 2018 General Shareholders Meeting did not contain reservations about the financial statements. If reservations arise, as established by section 2.2.4.21 of the Corporate Governance Summary the Chairman of the Audit and Risk Committee must submit the analysis made by this committee to the General Shareholders Meeting.
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

Date of Implementation	January 15, 2016
Amendment Dates	

**31.2. When regarding the reservations *and/or* emphasis-of-matter paragraphs submitted by the Statutory Auditor, the Board of Directors considers that it must maintain its position, this judgment is adequately explained and justified in a written report to the General Shareholders Meeting, specifying the content and scope of the discrepancy.**

31.2 Do you Implement the Measure?

YES

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NO

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N/A

☐

**YES. Briefly explain:**

The Statutory Auditor's Report submitted to the 2018 General Shareholders Meeting did not contain reservations about the financial statements or emphasis-of-matter paragraphs. However, in the event that one of these situations does arise, and following section 2.2.4.2.1 of the Corporate Governance Summary the Board of Directors shall proceed to explain and justify to the General Shareholders Meeting in detail why it decided to maintain its position regarding the reservations presented by the Statutory Auditor.

**NO. Please Explain:**

**NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	January 15, 2016
Amendment Dates	February 19, 2018

**31.3 Transactions with or between Related Parties**, including transactions between companies of the Conglomerate, which due to objective parameters, such as volume of the transaction, percentage of assets, sales or other indicators, **are considered significant for the Company, are listed in detail in the public financial information. They are also mentioned for offshore operations.**

31.3 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

In accordance with the provisions of Chapters Fifth and Seventh of the Corporate Governance Summary, transactions between related parties were reported and presented during the General Shareholders Meeting that took place on March 23, 2018 as part of the Management Report, in Note 34 to the financial statements and in the Annual Corporate Governance Report, which can be found on the corporate website in "Shareholders and Investors / Corporate Governance / General Shareholders Meeting / Shareholders Meeting - 2018 / Reports"

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:****Date of Implementation**

December 31, 2000

**Amendment Dates**

May 29, 2015

**Measure No. 32: Information for the Markets**

**32.1.** In the framework of the Information Disclosure Policy, the Board of Directors (or the Audit Committee) **shall adopt any measures needed to ensure that all financial and non-financial information about the Company is disclosed to the financial and capital markets, as required by existing legislation**, in addition to any information deemed relevant for investors and clients.

32.1 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

In accordance with section 2.2.4.2.1 of the Corporate Governance Summary, the Audit and Risk Committee is responsible for supporting the Board of Directors in supervising the financial information, which due to its status as a public company, and within the framework of the information and communication policies, the Company must periodically disclose.

Additionally, in the Policy on Disclosure of Financial and Non-Financial Information contained in Chapter Five of the Corporate Governance Summary, and the Procedure for Disclosure of Financial and Non-Financial Information, establishes that the Audit and Risk Committee is responsible for supervising the information and financial reporting processes; and that the Disclosure Committee, made up of members of

the Financial Vice Presidency and the Corporate Affairs Department and the General Secretariat, is responsible for ensuring that all the financial and non-financial information about the Company, required by current regulations, as well as all other information that is considered relevant for investors and clients is transmitted to the financial and capital markets.
<b>NO. Please Explain:</b>

<b>Date of Implementation</b>	January 15, 2016
<b>Amendment Dates</b>	February 19, 2018

**32.2. The Company's website was designed to be user-friendly** and simple to use, providing users with access to information regarding corporate governance.

32.2 Do you Implement the Measure?

YES

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NO

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N/A

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<b>YES. Briefly explain:</b>
The Company's website strives to provide a pleasant and easy-access browsing experience to its users. The website has a section available for shareholders and investors, which contains information regarding corporate governance. During 2016 to 2018, the Company made alterations to the website to make it increasingly more organized, thus ensuring that it is easy for users to browse.
<b>NO. Please Explain:</b>
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>

<b>Date of Implementation</b>	March 17, 2015
<b>Amendment Dates</b>	

**32.3. The Company's website at least includes the links covered in Recommendation 32.3.**

32.3 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Company has a corporate website [www.grupoexito.com.co](http://www.grupoexito.com.co) available in both Spanish and English, which has mini-site for Shareholders and Investors that was designed to comply especially with the matters described in recommendation 32.3, which are found in the following routes:

About us

<https://www.grupoexito.com.co/es/nosotros>

Shareholders, Investor Relations and Corporate Governance:

<https://www.grupoexito.com.co/es/accionistas-e-inversionistas>

Sustainability:

<https://www.grupoexito.com.co/es/sostenibilidad>

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

Date of Implementation	March 17, 2015
Amendment Dates	

**32.4. All supporting** documentation generally used by the Company to disseminate information to the markets can be downloaded, printed and shared.

32.4 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

The main communication channel of the Company is its corporate website, in which documents that can be printed, downloaded and shared are published.

**NO. Please Explain:**



N.A Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	March 17, 2015
Amendment Dates	

**32.5. When a Company is of great size and complexity**, on its website, it annually posts **a detailed report explaining the organization, methods and procedures of its Control Architecture implemented** with the aim to provide accurate and secure financial and non-financial information, while safeguarding the Entity's assets, as well as the efficiency and security of its transactions. Information on the Control Architecture is complemented with a risk management report.

32.5 Do you Implement the Measure?

YES

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NO

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N/A

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YES. Briefly explain:

The Company annually submits the Management Report to the General Shareholders Meeting and posts it on the corporate website, in which it describes the evolution of the Company's businesses and its economic, administrative and legal situation. Additionally, it submits the Corporate Governance Report to the General Shareholders Meeting and posts it on the website, which includes an explanation of the Control Architecture procedures, methods and organization implemented.

NO. Please Explain:

NA. Specify the regulations that prevent adoption of the recommendation:

Date of Implementation	February 25, 2016
Amendment Dates	

#### Measure No. 33: Annual Corporate Governance Report

**33.1. The Company prepares an annual corporate governance report.** The Board of Directors is responsible for its content upon receiving a favorable prior review and report from the Audit Committee, which is submitted along with the rest of the end-of-year documents.

33.1 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Company prepared the Corporate Governance Report, which was submitted to the General Meeting of Shareholders after prior approval by the Board of Directors at its meeting in February 2018, where it also approved the other end-of-year documents and reports with the validation and approval of the Appointments, Remuneration and Corporate Governance Committee in accordance with the provisions of section 2.2.4.2.2 of the Corporate Governance Summary and the Audit and Risk Committee in accordance with the provisions of Chapter Eight of the Code of Corporate Commerce.

**NO. Please Explain:****NA. Specify the regulations that prevent adoption of the recommendation:**

<b>Date of Implementation</b>	December 31, 2015
<b>Amendment Dates</b>	

**33.2. The Company's Annual Corporate Governance Report is not a mere transcription of the corporate governance regulations included in the Company Bylaws, Rules of Procedure, Corporate Governance Summary and other company documents. It is not intended to describe the Company's governance model, but to explain the reality of its operations and relevant changes during the period.**

33.2 Do you Implement the Measure?

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Annual Corporate Governance Report was submitted to the 2018 General Shareholders Meeting and posted on the corporate website. Said report contains information about the application of and compliance with the corporate governance policies throughout the year, information about the Company's operation and the relevant changes in 2018. The report is not a transcript of the Corporate Governance Rules and Procedures.

The Report can be seen on the corporate website in section "Shareholders and Investors / Corporate Governance / General Shareholders Meeting / Shareholders Meeting - 2018 / Reports / Corporate Governance Report."

<b>NO. Please Explain:</b>	
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>	
<b>Date of Implementation</b>	December 31, 2015
<b>Amendment Dates</b>	

**33.3. The Company's Annual Corporate Governance Report** contains end-of-year information that **describes how the corporate governance recommendations adopted by the Company were met throughout the year, and the main changes that resulted thereof.**

The Company's Annual Corporate Governance Report is aligned with the outline described in Recommendation 33.3.

**33.3 Do you Implement the Measure?** YES ☒ NO ☐ N/A ☐

<b>YES. Briefly explain:</b>	
<p>The Annual Corporate Governance Report that was presented at the General Shareholders Meeting in 2018 and published on the corporate website, contains the information of recommendation 33.3 and describes the way in which Corporate Government's recommendations were complied with during the year adopted by the Company and main changes. Within these changes it has been highlighted the continuous improvement and comprehensive review that was made of the Government Code in 2017 and which was approved in 2018, year during which a greater maturity of Corporate Governance practices was sought.</p> <p>The Report can be seen on the corporate website in section "Shareholders and Investors / Corporate Governance / General Shareholders Meeting / Shareholders Meeting - 2018 / Reports / Corporate Governance Report."</p>	
<b>NO. Please Explain:</b>	
<b>NA. Specify the regulations that prevent adoption of the recommendation:</b>	
<b>Date of Implementation</b>	December 31, 2015

Amendment Dates	
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