

Country Code Survey Best Corporate Practices Implementation Report

ISSUER NAME
Almacenes Éxito

LEGAL REPRESENTATIVE
Carlos Mario Giraldo Moreno

LEGAL REPRESENTATIVE APPOINTED TO SEND THE IMPLEMENTATION REPORT
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EVALUATED PERIOD
2015

SURVEY DATE
JANUARY 29, 2016

INTRODUCTION

The implementation of the recommendations of the new Country Code Survey Best Corporate Practices for Colombia should be reported by the issuers to the Financial Superintendence of Colombia (SFC, in Spanish) by delivering the Country Code Survey Best Corporate Practices Implementation Report.

The objective of this report is to inform the market on the implementation or not of the Code's recommendations by each issuer. To this end, the reader will find three boxes for YES, NO and N/A for each recommendation, as well as a space to complement their response as follows:

If the answer is YES, the issuer must briefly describe the way the implementation has been made. If the answer is NO, the issuer shall explain the reasons why it has not complied.

The N/A answer can only be provided by the issuer in cases where, for legal reasons, it is not possible to adopt the recommendation. There's a space to precisely indicate what standard or regulation prevents it from compliance.

Due to the fact some recommendations are made up of a number of specific aspects, it must be underscored that these are only deemed implemented if they meet all of the aspects that compose them, unless the reason for not adopting some of them, it is of legal character, which should be indicated.

Each recommendation has a box to indicate the date on which the issuer first implemented. Additionally, there is a box in which the date in which amendments were made shall be recorded.

Finally, when the issuer, due to its nature, does not have the specific body to which the recommendation is concerned, it is understood it refers to the organ inside the body, equal to or in lieu thereof.

I. SHAREHOLDERS FAIR AND EQUITABLE TREATMENT

Measure No. 1: Principle of equal treatment.

- 1.1. **The Company provides equal treatment** to all shareholders that, within the same class of shares, are in the same conditions, without granting access to privileged information about shareholders regarding others.

1.1 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The company, its directors and employees abstain from differential treatment to shareholders. During delivery of information and accountability, management fosters communication spaces with access to all shareholders.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:****Implementation Date**

December 31, 2008

Dates of modification

March 17, 2015

- 1.2. **Has the Board of Directors approved a specific procedure** defining corporate practices **to engage with shareholders of different conditions**, in areas such as, for example, access to information, the resolution of information requests, channels of communication, forms of interaction between shareholders and the company, its Board of Directors and other management.

1.2 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The company has implemented corporate governance measures and procedures for engaging with shareholders and stakeholders. Recently, they were unified into a single policy, the policy of information disclosure, mechanisms and procedures for shareholders relations, all of which incorporate the new Country Code recommendations.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	December 31, 2008
Dates of modification	January 15, 2016

Measure No. 2: Shares information.

2.1. Through its website, **the company discloses to the public** with clarity, accuracy and integrity **the different classes of shares 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 obligations inherent to each share class.

2.1 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

In the following link you can find all shares related information published by the company:
<http://www.grupoexit.com.co/es/informacion-para-accionistas/dividendos>

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

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

Measure No. 3: No dilution of capital.

3.1. In operations **that can lead to the dilution of minority shareholders capital** (if a capital increase with waiver of preemptive rights in the subscription of shares, a merger, division or segregation, etc.), **do the company explains in detail to shareholders** in a previous report of the Board of Directors, and with the perspective of an independent external adviser appointed by the Board with a recognized fairness opinion on the terms of the transaction. These reports are made available to shareholders in advance of the Assembly within the terms for exercising the right of inspection.

3.1 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:****NO. Explain:**

During 2015 no operations that could result in the dilution of capital were made.

NA. Specify the regulations which prevent adopting the recommendation:
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Implementation Date	
Dates of modification	

Measure No. 4: Information and communication with shareholders.

4.1. Do the company has a corporate website, in Spanish and English, with a link to Corporate Governance or relations with shareholders and investors or equivalent, in which financial and non-financial information as proposed in recommendations 32.3 and 33.3 is included and that, in any case, may include confidential information concerning the company or trade secrets, or whose disclosure might be used to the company's detriment.

4.1 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: The corporate website and the investor relations area may be found on the following link: http://www.grupoexit.com.co/es/inversionistas
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

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

4.2. Do the company has mechanisms for permanent access and use exclusively for shareholders, such as a link on the website of exclusive access to shareholders, or a services office or relation with shareholders and investors, regular briefings, among others, for them may express their opinions or raise concerns or suggestions on the company's development or those associated with their status as shareholders.

4.2 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

<p>The company has an office exclusive and tailored to Shareholders, Investors and Analysts relations, located at the company headquarters. Also, there is special care provided via phone (574) 3395341 or via email at: exitoinvestor.relations@grupo-exito.com</p> <p>NO. Explain:</p>
<p>NA. Specify the regulations which prevent adopting the recommendation:</p>

Implementation Date	December 31, 2008
Dates of modification	

4.3. Do the company organize events for quarterly earnings, to shareholders and market analysts, which may be in person or via means of distance communication (conference call, video conferencing, etc.).

4.3 The Measure Is Implemented YES ☒ NO ☐ N/A ☐

<p>YES. Briefly explain: During the 2015 there were four quarterly earning conference calls on February 12, May 7, July 29 and November 30, 2015.</p>
<p>NO. Explain:</p>
<p>NA. Specify the regulations which prevent adopting the recommendation:</p>

Implementation Date	December 31, 2008
Dates of modification	

4.4. Do the company organizes or participates in presentations, events or forums on fixed income topics, mainly for investors specialized in debt instruments and market analysts, in which the issuer's business indicators, liabilities management, financial policy, rates, behavior of the issuer in respect of covenants, are updated, etc.

4.4 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:****NO. Explain:**

The Company does not participate in fixed income events since its debt consists of corporate and non-public debt through the issuance of bonds.

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	
Dates of modification	

4.5. Do Corporate Bylaws provide that a shareholder or a group of shareholders representing at least five percent (5%) of total capital may request the performance of specialized audits in different matters than those audited by the Statutory Auditor of the company. Depending on its capital structure, the Company may determine a percentage lower than five percent (5%).

4.5 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

Article 60 of the company bylaws provides for the right to conduct special audits for shareholders or groups of shareholders representing at least five percent of the share capital.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	December 31st, 2008
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Dates of modification	March 17, 2015
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4.6. In order to exercise this right, does the company has a written detailed procedure as stated in recommendation 4.6.

4.6 The Measure Is Implemented YES ☒ NO ☐ N/A ☐

YES. Briefly explain: The Corporate Governance Overview provides for the procedure for dealing with requests from shareholders regarding the implementation of specialized audits.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	September 11, 2014
Dates of modification	

Measure No. 5: Performance of the Directors on exchange or takeover operations of the company.

5.1. Have the members of the Board and Senior Management expressly accepted in their Letters of Acceptance or contracts, they will be periods during which they commit not to negotiate directly or indirectly through an intermediary, of any shares of the company if they have knowledge of the presentation of a takeover bid or other relevant operations, such as mergers or divisions.

5.1 The Measure Is Implemented YES ☒ NO ☐ N/A ☐

YES. Briefly explain: The Corporate Governance Overview requires mandatory compliance for managers and employees of the company, there are periods in which managers and all employees with access to privileged information must refrain from trading in shares of the company.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

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

Measure No. 6: Integrated company participation in Conglomerates.

6.1. Notwithstanding the independence of each company integrated into the conglomerate and the responsibilities of its individual company management bodies, **there is an organizational structure** of the conglomerate which defines three (3) government levels – shareholders meeting, Board of Directors and Senior Management – the bodies and individual key positions, as well as the relationships among them, which are public, clear and transparent, allow to determine clear lines of responsibility and communication, and provides for strategic guidance, oversight, control and effective management of the conglomerate.

6.1 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

Information on the structure of the conglomerate is posted on our website as well as the corporate structure, which from the parent company, allows identifying responsibilities within the company and defining the strategic direction, control and management of the companies part of the Conglomerate. On the websites of each company of the Conglomerate, they also publish their own corporate structure.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

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

6.2. Has the **parent company and its major subsidiaries have defined a framework of institutional relations** through the signing of an agreement, public and approved by the Board of Directors of each of the herein before mentioned companies, which regulates the issues stated in Recommendation 6.2.

6.2 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:****NO. Explain:**

The Board of Directors of the Company approved the applicable conglomerate governance rules and incorporated them into the corporate governance policies contained in the Corporate Governance Overview. However, it is expected that in February 2016 the Management Boards of the subordinate

companies will approve the rules governing the conglomerate.
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	
Dates of modification	

Measure No. 7: Conflict Resolution

7.1. Except for those disputes between shareholders or between shareholders and the company or its Board of Directors, which by express legal authority must necessarily be brought before the ordinary courts, do **Company Bylaws include mechanisms for the resolution of disputes such as direct agreement, amicable settlement, conciliation or arbitration.**

7.1 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Article 52 of the bylaws state the conflict resolution mechanisms, among which are the direct agreement, amicable settlement, conciliation or arbitration.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

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

I. GENERAL SHAREHOLDERS MEETING

Measure No. 8: Functions and powers.

8.1. In addition to other duties attributed to the General Assembly of Shareholders by the legal framework, **company bylaws and corporate statutes expressly include the functions of the General Assembly of Shareholders listed in recommendation 8.1.**, and emphasize their character of exclusive and non-delegated.

8.1 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

Article 27 of the bylaws "Functions and Powers" establishes the functions of the General Assembly of Shareholders, and Article 28 "Delegation" defines the exclusive functions and consequently non-delegated functions of this body.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date

March 17, 2015

Dates of modification

Measure No. 9: Regulations of the General Assembly of Shareholders.

9.1. **The Company has a Regulation for the General Shareholders Meeting** that provides for all matters that concern the meeting, from the meeting notice, to the preparation of the information to be delivered to shareholders, attendance, development and exercise of voting rights of shareholders so that they are fully informed, as well as all regulations related to the Assembly Meeting.

9.1 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The General Assembly of Shareholders of the Company has an approved regulation governing its meetings.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

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Implementation Date	March 20, 2014
Dates of modification	March 17, 2015

Measure No. 10: General Assembly of Shareholders notice.

10.1. In order to facilitate the exercise of the right of information of shareholders, **company bylaws stipulate that the General Shareholders Ordinary Meeting should be convened with at least thirty (30) calendar days in advance** and for **special meetings must be convened no less than fifteen (15) calendar days in advance**. The foregoing is without prejudice to the established legal terms for corporate reorganizations (e.g. mergers, splits or transformations).

10.1 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The first and third paragraph of Article 18 of the corporate bylaws provide the terms for convening the General Assembly of Shareholders which are 30 calendar days for the ordinary meeting and 15 calendar days for extraordinary meetings.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	March 17, 2015
Dates of modification	

10.2. In addition to traditional and mandatory media required by the legal framework, **the company ensures maximum publicity and advertising of the meeting notice** by using electronic means, such as corporate website, alert messages via personalized emails and even, if it deemed appropriate, via social networks.

10.2 The Measure Is Implemented

YES

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NO

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N/A

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<p>YES. Briefly explain:</p> <p>The meeting notice for the General Assembly of Shareholders is published not only in high circulation newspapers and the registered office, and at the offices of Fiduciaria Bancolombia, in charge of the shareholders office of company, but also on the company's website.</p>
<p>NO. Explain:</p>
<p>NA. Specify the regulations which prevent adopting the recommendation:</p>

Implementation Date	December 31, 2008
Dates of modification	

10.3. In order to increase transparency of the decision-making process during the General Assembly of Shareholders, in addition to the meeting's agenda where all issues that will be discussed are listed, **the company has provided access to shareholders, simultaneously with the meeting notice, to all proposed resolutions for each item on the agenda which the Board of Directors will submit to the General Assembly of Shareholders, at least, with fifteen (15) days prior to the meeting.**

10.3 The Measure Is Implemented

YES

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NO

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N/A

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<p>YES. Briefly explain:</p> <p>On the occasion of the three General Assembly of Shareholders meetings done during 2015, the company management complied with this measure by making available to shareholders all necessary information for informed decision making and complementing all specific requirements in accordance with the requests made by shareholders.</p>
<p>NO. Explain:</p>
<p>NA. Specify the regulations which prevent adopting the recommendation:</p>

Implementation Date	March 17, 2015
Dates of modification	

10.4. Improper split can only be analyzed and approved by the General Assembly of Shareholders when this topic has been expressly included in the notice for the respective meeting.

10.4 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

In this way was approved by Article 18, third paragraph of the corporate bylaws.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

10.5. The agenda proposed by the Board of Directors precisely contains the topics to be addressed, avoiding issues of major concern are hiding or masked under vague, generic, far too general or broad mentions as "other" or "proposals and others."

10.5 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The meeting's agenda includes each of the topics to be considered and approved, separately and with sufficient description of the matters being analyzed.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	December 31, 2008
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Dates of modification	March 17, 2015
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10.6. In case of amendments to the Corporate Statutes, each article or group of articles that are substantially independent are separately voted. In any case, a specific article voting occurs separately if any shareholder or group of shareholders representing at least five percent (5%) of the total shares, request to do so during the assembly, right disclosed in advance, to all shareholders.

10.6 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

By statutory reform approved at the regular General Assembly of Shareholders meeting in March 2015, this provision was adopted, so from that date on the obligation is enforced by the company management.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

10.7. Without prejudice to the provisions of Article 182 of the Colombian Commercial Code, in order to strengthen and guarantee the right of inspection and information to shareholders prior to the General Meeting of Shareholders, the Corporate Statutes recognize the right of shareholders, regardless their size, to propose the introduction of one or more topics to be discussed in the agenda of the General Assembly of Shareholders, within reasonable time and if the requirement for the items is accompanied by a justification. The request by shareholders must be made within five (5) calendar days following the date of the meeting notice publication.

10.7 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Article 18 third paragraph of the Corporate bylaws provides for the right of shareholders to introduce new items on the agenda.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

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Implementation Date	March 17, 2015
Dates of modification	

10.8. If the request is rejected by the Board of Directors, **it is requested to respond in writing** to those applications supported, at least by a five percent (5%) of the total share capital, or a lower percentage established by the company according to the degree of concentration of ownership, **explaining the reasons for its decision and** informing shareholders on the right they have to put forward their proposals during the celebration of the Meeting in accordance with the provisions of Article 182 of the Colombian Commercial Code.

10.8 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Thus it is stated in the Corporate bylaws.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

10.9. In the event that the Board of Directors accepts the application, once time has been exhausted for shareholders to raise issues under the above recommendations, **a supplement to the notice of the General Assembly of Shareholders will be published with at least fifteen (15) calendar days prior to the meeting.**

10.9 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Thus it is provided in Article 18 third paragraph of the Corporate bylaws.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

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Implementation Date	March 17, 2015
Dates of modification	

10.10. In the same time period as shown in section 10.7 **shareholders may also have well-founded new proposed resolutions** regarding matters already included previously in the meeting's agenda. For these requirements, the Board of Directors acts as stated in paragraphs 10.8 and 10.9 above mentioned.

10.10 The Measure Is Implemented YES ☒ NO ☐ N/A ☐

YES. Briefly explain: Article 18 third paragraph of Corporate Statutes provides for this right in favor of the shareholders and the duty of the Board of Directors to that effect in accordance with paragraphs 10.8 and 10.9.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

10.11. The company is requested to use electronic media, mainly the corporate website with exclusive access to shareholders, to deliver these documents and all information associated with each of the items stated in the meeting's agenda.

10.11 The Measure Is Implemented YES ☒ NO ☐ N/A ☐

YES. Briefly explain: The company publishes on the website, investors section, all documents related to the agenda of the shareholders meeting.
NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:	
Implementation Date	March 17, 2015
Dates of modification	

10.12. The Corporate bylaws recognize shareholders their right to request well in advance information or clarifications as they deem appropriate, via traditional channels and/or, where appropriate, via new technologies, or to ask written questions that they deem necessary regarding the items on the agenda, the documents received or public information published by the company. Depending on the term chosen by the company to convene the General Assembly of Shareholders, the company may determine the period within which shareholders may exercise this right.

10.12 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Article 18 third paragraph of Corporate bylaws also provide for the right of shareholders to request information or ask questions about the topics included in the agenda.	
NO. Explain: 	
NA. Specify the regulations which prevent adopting the recommendation: 	
Implementation Date	March 17, 2015
Dates of modification	

10.13. The company has provided the requested information might be denied if, in accordance with internal procedures, it can be classified as: i) unreasonable; ii) irrelevant to know the progress or the interests of company; iii) Confidential, which includes privileged market-related information, trade secrets, ongoing operations whose successful completion materially depend upon the secrecy of negotiation; and iv) others which if disclosed may seriously danger the competitiveness of the company.

10.13 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Thus it was foreseen in Article 18 of Corporate bylaws.

NO. Explain:	
NA. Specify the regulations which prevent adopting the recommendation:	

Implementation Date	March 17, 2015
Dates of modification	

10.14. When the answer given to a shareholder may put him/her in advantage, **the company guarantees access to the answer to all other shareholders concurrently**, according to the mechanisms established for that purpose, and under the same conditions.

10.14 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: All answers to shareholder's requests are published in the company's website guaranteeing access to the response and the information to all other shareholders.	
NO. Explain:	
NA. Specify the regulations which prevent adopting the recommendation:	

Implementation Date	March 17, 2015
Dates of modification	

Measure No. 11: Regulations on representation.

11.1. Without prejudice to the limits introduced by Article 185 of the Colombian Commercial Code, the Circular Externa 24 of 2010 and the rules that modify, add or replace those herein mentioned, **the company does not limit the right of shareholders to be represented at the General General Assembly of Shareholders**, being able to delegate their vote on any person, whether shareholder or not.

11.1 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Thus it is provided in the Corporate Statutes and the in Compendium of Corporate Governance as well as being an implemented and observed procedure in each of the Shareholders meetings and reminded to shareholders in the meeting notice..
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	December 31, 2008
Dates of modification	

11.2. The company minimizes the use of blank proxies delegation, without voting instructions, actively promoting the use of a standard model of representation letter that company facilitates to shareholders or publishes on its website. In the model letter, the items of the agenda and the agreement proposals are included in accordance with certain procedures previously established and which will be submitted for vote to the shareholders, with the objective that the shareholder, if he/she wishes, indicate in each case, their vote to their representative.

11.2 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: For each General Assembly of Shareholders a POA template is published which includes the corresponding section for shareholders to record their voting instructions.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

Measure No. 12: Other than shareholders attendance.

12.1. In order to revitalize the role of the General General Assembly of Shareholders in the formation of the corporate will, and to make it a much more participatory body, the Meeting's Rules and Regulations of **the company requires members of the Board of Directors and, in particular, those Chairmen of the Committees of the Board of Directors, as well as the CEO of the company, to attend the General Assembly of Shareholders** to respond to any concerns from shareholders.

12.1 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Article 1 of the Rules and Regulations of the General Assembly of Shareholders provides that meetings of this body should be attended by the CEO and, if possible, by all members of the Board of Directors or in their absence the chairman of the Board and presidents the various committees.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

II. BOARD OF DIRECTORS

Measure No. 13: Functioning norms of the Board of Directors.

13.1. The Corporate Statutes expressly state those **functions which may not be delegated to senior management**, which include those established by recommendation 13.1.

13.1 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

In Article 34 "Duties and powers" of the Corporate bylaws the functions of the Board of Directors are defined, and in Article 35 "Delegation," those exclusive functions and as a result, non-delegated, are also defined.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Date of implementation	March 17, 2015
Dates of modification	

13.2. Notwithstanding to the autonomy of the governing bodies of the subordinate enterprises, **in cases when the company acts as a parent of a conglomerate**, these functions of the Board of Directors have a group approach **and are developed through general policies, guidelines or requests for information maintaining the balance between the interests of the parent and the subsidiaries, and the conglomerate as a whole.**

13.2 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The functions of the Board of Directors have a group approach, developing general policies, guidelines and controls over the management and administration of the subsidiaries.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

Measure No. 14: Regulations of the Board of Directors

14.1. The Board of Directors has approved the rules governing its organization and operation, as well as the roles and responsibilities of its members, the Chairman and Secretary of the Board of Directors, and their rights and duties, which are properly informed among shareholders, having a binding character for the members of the Board of Directors.

14.1 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Inside the Corporate Governance Overview are contained the regulations of the Board and its supporting committees. Said Overview is published on the website and is available to shareholders and investors.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	December 31, 2008
Dates of modification	January 15, 2016

Measure No. 15: Dimensions of the Board of Directors

15.1. The company has chosen not to appoint statutory Alternate Members of the Board of Directors.

15.1 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Corporate Statutes provide in Article 29, that the Board is composed of nine (9) members or Directors without alternates.

NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	December 31, 2008
Dates of modification	

Measure No. 16: Composition of the Board of Directors.

16.1. Based on the premise that once elected, all members of the Board of Directors are acting on behalf of the company, in an exercise of maximum transparency, **the company identifies the origin of the various members of the Board of Directors** in accordance with the defined scheme presented on recommendation 16.1.

16.1 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: The company identifies and publishes on its website the origin of the various Board of Directors members, specifying who has the status of independent and who belongs to the Casino Group, as majority and controlling shareholder.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	December 31, 2008
Dates of modification	

16.2. Does the company has a procedure, articulated through the Nomination and Remuneration Committee or another to perform its tasks, which allows the Board of Directors, through its own dynamics and based on the conclusions of annual evaluations, achieving the objectives set out in recommendation 16.2.

16.2 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The General Assembly of Shareholders of the Company approved the policy for election and succession of the Board of Directors, which is the process by which the Board may achieve the objectives set out in recommendation 16.2.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	March 17, 2015
Dates of modification	

16.3. The professional profiles identified as necessary are reported by the Board of Directors to shareholders in such a way that different actors, mainly controlling shareholders, significant shareholders, families, groups of shareholders and institutional shareholders, if any, and the Board of Directors itself, are able to identify the most suitable candidates.

16.3 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Board of Directors of the Company, prior to each session of the General Assembly of Shareholders where election of Board members is undertaken, defines the professional profiles identified as necessary for candidates.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	March 17, 2015
Dates of modification	

16.4. The company considers that the mere evaluation of resumes by shareholders is insufficient to determine the suitability of candidates, so it has an internal procedure to evaluate incompatibilities and disqualifications of legal nature and adequacy of candidates to the needs of the Board of Directors, through the evaluation of a set of criteria to be met by functional and personal profiles of the candidates, and verifying the fulfillment of objective criteria for membership of Board of Directors and some other additional to be an independent member.

16.4 The Measure Is Implemented

YES

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NO

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N/A

☐

YES. Briefly explain:

In this sense the policy for re-election and succession of the Board of Directors was designed, providing assessments of the candidates for the Board of Directors and including an analysis of legal incompatibilities and disqualifications, and a set of criteria to be met by functional and personal profiles of candidates, as well as verification of compliance of objective criteria for membership to the Board of Directors and independent members.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

16.5. In addition to the independence requirements set forth in Law 964 of 2005, the company has voluntarily adopted a stricter definition than the hereinbefore Law. This definition has been adopted as a framework through the Regulations of the Board of Directors, and includes, among other requirements that, relations or links of any kind of independent candidate member with controlling or significant shareholders and related national and foreign parties must be evaluated, and requires a double declaration of independence: (i) by the candidate before the company, shareholders and members of senior management, as stated in his/her Letter of Acceptance and (ii) by the Board of Directors, regarding the independence of the candidate.

16.5 The Measure Is Implemented

YES

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NO

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N/A

☐

YES. Briefly explain:

NO. Explain:

The policy of re-election and succession of the Board of Directors provides that the Board itself may accept a definition of the independence criteria, including not only those contained in Law 964 of 2005, but which also includes candidate requirements related to their relations with shareholders, with senior management and stakeholders.

NA. Specify the regulations which prevent adopting the recommendation:

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Implementation Date	
Dates of modification	

16.6. The company, by its internal regulations, considers the Board of Directors, through its chairman and with the support of the Nomination and Remuneration Committee or whoever fulfils its duties, is the most appropriate body to centralize and coordinate prior to the General Assembly of Shareholders the process of forming this management body. Thus, shareholders based on their shareholding aspire to be part of the Board, may know the needs of the Board of Directors and raise their aspirations, negotiating shareholding balances and the division between different categories of members, appoint their candidates and accept their candidates may be assessed by the Nomination and Remuneration Committee before vote during the General Shareholders' Meeting.

16.6 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

In this way it was envisioned by the Re-election and Succession Policy of the Board of Directors.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	March 17, 2015
Dates of modification	

16.7. The Regulations of the Board of Directors provides that the assessment of the suitability of candidates is an activity whose execution is prior to the holding of the General Shareholders' Meeting, so that shareholders have sufficient information (personal qualities, qualifications, professional history, experience, integrity, etc.) on the candidates proposed to integrate the hereinbefore mentioned body, in time to allow for a proper assessment.

16.7 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Thus it was provided in the policy of re-election and succession of the Board of Directors. In addition, the Board, prior to the General Assembly of Shareholders defines the deadlines for carrying out the nomination process and evaluation of candidates, as well as for publishing the results of assessments, sufficiently in advance to allow shareholders understand and analyze these evaluations.

NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

Measure No. 17: Functional structure of the Board of Directors.

17.1. The Regulations of the Board of Directors stipulate that the **independent and major shareholder members are always majority over Executive Members**, whose number, in the course of joining the Board of Directors, is the minimum required to meet the needs of information and coordination between the Board of Directors and senior management of the company.

17.1 The Measure Is Implemented

YES

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NO

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N/A

☐

YES. Briefly explain: Our Corporate Statutes provide that the sole Executive Member who may serve on the Board of Directors shall be the Chairman. Currently, the Board has 4 independent and five non-independent members; the CEO of the company is not a member.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	December 31, 2008
Dates of modification	

17.2. Starting from the minimum percentage of twenty five percent (25%) of Independent Members established by in Law 964 of 2005, **the company analyzes and voluntarily adjusts, upwards, on the number of independent members**, taking into account, inter alia, that the number independent members is relevant to the Free Float Capital.

17.2 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: In accordance with Article 29 of the Corporate bylaws the Board of Directors must have at least three independent members, which corresponds to 33% of total members. In addition, the current Board has 4 independent directors.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	June 11, 2015
Dates of modification	

Measure No. 18: Organization of the Board of Directors

18.1. The duties of the Chairman of the Board of Directors are stated in the statutes and his/her main responsibilities are established by recommendation 18.1

18.1 The Measure Is Implemented YES ☒ NO ☐ N/A ☐

YES. Briefly explain: Article 31 of the Corporate bylaws establishes the duties of the Chairman of the Board of Directors in accordance with recommendation 18.1.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

18.2. The internal regulations of the company, provides the possibility that **the Chairman of the Board of Directors may have a different treatment for the other members** in both their obligations and their remuneration, as a result of the scope of their specific functions and greater dedication of time.

18.2 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Thus it is provided in the remuneration policy of the Board of Directors, approved by the General Assembly of Shareholders.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	June 11, 2015
Dates of modification	

18.3. Do statutes comprise the rules for the appointment of the **Secretary of the Board of Directors** among which are those indicated in recommendation 18.3.

18.3 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Article 43 of Corporate bylaws sets out the rules contained in recommendation 18.3.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

18.4. As part of the rules and regulations of the Board of Directors functions of the Secretary are also established, which include those identified in recommendation 18.4.

18.4 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Article 43 of the Corporate bylaws sets out the rules contained in recommendation 18.4.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17 2015
Dates of modification	

18.5. The Board has established a Nomination and Remuneration Committee

18.5 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The Board of Directors has a Nomination, Remuneration and Corporate Governance Committee, which fulfills the functions for the Nomination and Remuneration Committee.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

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

18.6. The Board has established a Risk Committee.

18.6 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Board of Directors has the Audit and Risk Committee, which fulfills functions corresponding to the Risk Committee.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	March 17, 2015
Dates of modification	

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

18.7 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Nomination, Remuneration and Corporate Governance Committee serves as the corporate governance committee.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

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

18.8. If the company has decided that it is not necessary to conform all of these committees, its functions are distributed among those that exist or have been assumed by Board itself.

18.8 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The Corporate bylaws and the Rules and Regulations of the Board of Directors stated that for the Audit Committee and the Risk Committee functions could be assumed by a single committee, so the company has an Audit and Risk Committee leading both functions. Similarly, the functions of corporate governance and nomination and compensation were attributed to the Nomination, Remuneration and Corporate Governance Committee.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

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

18.9. Each of the Committees of the Board of Directors has an Internal Regulation governing the details of its structure, topics, their duties and operations, giving particular attention to the communication channels between the Committees and the Board of Directors and, in the case of conglomerates, to the communication and coordination mechanisms between the Committees of the Board of Directors of the Parent company and the subordinates, if they exist.

18.9 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The Corporate Governance Overview has the regulations of each committee of the Board of Directors.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:
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Implementation Date	September 11, 2014
Dates of modification	January 15, 2016

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

18.10 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

On the occasion of the election of Board members for 2015, information of these committees recommendations were met. In addition, the rules and regulations of the Board of Directors expect committees will be made up for at least 3 members and will be chaired by an independent member, and it also provides that the Nomination and Remuneration Committee is composed mostly of independent members.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Dates of modification	

18.11. Committees of the Board of Directors may obtain support, on specifics or permanently, by members of senior management with experience in their areas of competence and/or external experts.

18.11 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Thus it was laid down in the Corporate Governance Overview and the on the regulations of each

committees. In practice, senior management provide ongoing support to the Committees and external experts provide timely support, as required.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	September 11, 2014
Dates of modification	

18.12. For the integration of its committees, the Board of Directors takes into consideration profiles, knowledge and professional experience of members regarding the subject matter of the Committee.

18.12 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:
In that same sense is introduced by the Corporate Governance Overview, where it is stated as functions of the Board of Directors to ensure that members of these committees have sufficient experience and expertise to fully carry out their functions, taking into account profiles, knowledge and professional experience required. Also, the appointment of members for the Committees was carried out taking into account these criteria.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	June 11, 2015
Dates of modification	

18.13. The Committee meetings have minutes, a copy is submitted to all members of the Board of Directors of the company. If Committees have delegated powers for decision making, minutes conform to the requirements of Articles 189 and 431 of the Colombian Commercial Code.

18.13 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The secretary of each committee sends to committee members the minutes of the meetings and at each meeting of the Board of Directors, the chairman of each committee presents to the Board a report on matters discussed at every meeting of their respective committee.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	December 31, 2008
Dates of modification	

18.14. Unless the applicable legal or regulatory framework requires constitution, in conglomerates internal rules and regulations stipulate that the **Boards of Subordinated Companies may choose not to provide specific committees** for the treatment of certain topics and these tasks are to be undertaken by committees of the Board of Directors of the parent company, but do not constitute a transfer of responsibility to the parent by the Board of Directors of the subordinate.

18.14 The Measure Is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

As part of the Corporate Governance Overview of the Company it was scheduled the Committees of the Board of Directors of the parent company would be informed of matters within its competence concerning other Group companies.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

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Implementation Date	January 15, 2016
Dates of modification	

18.15. The main task of the Audit Committee is to assist the Board of Directors in its oversight role by evaluating the accounting procedures, the relationship with the Statutory Auditor and, in general, revising the Control architecture of the Company, including auditing the risk management system implemented by the company.

18.15 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Thus it was established by the Corporate Governance Overview.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Dates of modification	

18.16. The members of the Audit Committee have accounting, financial and other related topics expertise, allowing them to rule with rigor on issues competence of the Committee to a level sufficient to understand its scope and complexity.

18.16 The Measure Is Implemented

YES

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NO

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N/A

☐

YES. Briefly explain:

The Audit Committee members, both individually and collectively, have extensive knowledge and experience in economics, finance, law, accounting, retail business, real estate and/or business administration, ensuring adequate care on high complexity issues, part of the competence of said Committee.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	June 11, 2015
Dates of modification	

18.17. At the request of the President of the General Assembly of Shareholders, **the chairman of the Audit Committee reports before the General General Assembly of Shareholders** on specific aspects of the work of the Committee, such as the analysis of the scope and content of the Statutory Auditor Report.

18.17 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Article 1 of the Rules and Regulations of the General Assembly of Shareholders expects that during its session the Chairman of the Audit and Risk Committee must be present. Therefore, should he/she be requested by the President of the General Assembly of Shareholders, the Chairman of the Audit and Risk Committee may submit a report on the committee's work, including analysis of the Statutory Auditor report.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Dates of modification	

18.18. The Internal Rules and Regulations of the Audit Committee provides functions as stated on recommendation 18.18

18.18 The Measure Is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Thus it is envisaged in the Corporate Governance Overview in relation to the functions of the Audit Committee.
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NO. Explain:	
NA. Specify the regulations which prevent adopting the recommendation:	

Implementation Date	January 15, 2016
Dates of modification	

18.19. The main objective of the Nomination and Remuneration Committee is to assist the Board of Directors in carrying out its decisive functions in or on advisory matters associated with the appointment and remuneration of members of the Board of Directors and senior management, as well as regularly monitoring observance of the corporate governance rules, compliance, recommendations and principles (in those cases where this function is not expressly attributed to another committee).

18.19 The Measure Is Implemented YES ☒ NO ☐ N/A ☐

YES. Briefly explain: Thus it is envisaged in the Corporate Governance Overview.	
NO. Explain:	
NA. Specify the regulations which prevent adopting the recommendation:	

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

18.20. Some members of the Nomination and Compensation Committee have expertise in strategy, human resources (recruitment and selection, hiring, training, administration and personnel management), wage policy and related topics, with a sufficient level to understand the scope and complexity of these topics.

18.20 The Measure Is Implemented YES ☒ NO ☐ N/A ☐

YES. Briefly explain: The Corporate Governance Committee is comprised of members of the Board of Directors with extensive knowledge in strategy, in the area of human resources, law, labor and related law, as well as in the field of economics, finance and accounting.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	June 11, 2015
Dates of modification	

18.21. At the request of the President of the General Assembly of Shareholders, the Chairman of the Nomination and Remuneration Committee may inform the General Assembly on specific aspects of the work of the Committee, such as monitoring the remuneration policies of the Board of Directors and Senior Management.

18.21 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Article 1 of the Rules and Regulations of the General Assembly of Shareholders expect that during its session the Chairman of the Nomination, Remuneration and Corporate Governance Committee must be present. Therefore, if requested by the President of the General Assembly, the chairman of the Committee may submit a report on the committee's work, including tracking remuneration policies of the Board of Directors and Senior Management.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
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Dates of modification	
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18.22. The Internal Regulations of the Appointment and Remuneration Committee assigns him or her the functions indicated in recommendation 18.22.

18.22 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

It is stipulated in this manner in the Corporate Governance Overview in the subheading corresponding to the Appointment Committee.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

18.23. The main goal of the Risk Committee is to assist the Board of Directors in the fulfillment of its supervision responsibilities regarding risk management.

18.23 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The functions of the Auditing and Risk Committee are regulated in this manner regarding the function of risk management corresponding to this Committee.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

18.24. By request of the Chairman of the Board, **the Chairman of the Risk Committee may inform the General Assembly of Shareholders** regarding specific aspects of the work done by the Committee.

18.24 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Article 1 of the Assembly of Shareholders regulations establishes that in meetings of this body, the Chairman of the Audit and Risks Committee must be present. Therefore, if so requested by the Chairman of the Assembly, the Chairman of this Committee may present a report on the Committee's work.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

18.25. With the adjustments necessary to distinguish between companies that belong to the financial sector or to the real economy sector, and without prejudice to the functions assigned to this committee by regulations in force, **the Internal Regulations of the Risk Committee assign it the functions established in recommendation 18.25.**

18.25 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The Internal Regulations of the Audit and Risks Committee, contained in the Corporate Governance Overview, establishes the functions set forth in recommendation 18.25.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

18.26. The main role of the Corporate Governance Committee is to **assist the Board of Directors in its functions of proposal and supervision of the Corporate Governance measures** adopted by the company.

18.26 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

It is established in this manner in the internal regulations of the Nomination, Remuneration, and Corporate Governance Committee contained in the Corporate Governance Overview.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

18.27. The Internal Regulations of the Corporate Governance Committee assign it the functions indicated in recommendation 18.27.

18.27 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The internal regulations of the Nomination, Remuneration, and Corporate Governance Committee contained in the Corporate Governance Overview include the functions contained in recommendation 18.27.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

Measure No. 19: Operation of the Board of Directors

19.1 The Chairman of the Board of Directors, with the assistance of the Secretary and the President of the Company, **prepares a work plan for the Board of Directors** for the period evaluated. This tool determines the reasonable number of ordinary meetings per year and their approximate duration.

19.1 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

It is established in this manner in the functions of the Chairman of the Board of Directors.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

19.2. Except for entities subject to monitoring which, given their regulation, are obligated to a minimum of one (1) meeting per month, the company's Board of Directors holds between eight (8) and twelve (12) ordinary meetings per year.

19.2 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: It is established in this manner in the statutes. During the year 2015, the Board of Directors held a total of 12 meetings.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

19.3. One (1) or two (2) Board of Directors meetings per year are clearly focused on the definition and monitoring of the corporate strategy.

19.3 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: The first Board of Directors meeting of the year is aimed at defining and orienting the corporate strategy.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	February 10, 2015
Modification Dates	

19.4. The Board of Directors approves a specific calendar of ordinary sessions without prejudice to the possibility of holding as many extraordinary meetings as are necessary.

19.4 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Board of Directors approves a calendar with the agenda for the ordinary sessions which will be held on-site during the year, without prejudice to the scheduling or additional in-person or distance sessions when necessary.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	February 10, 2015
Modification Dates	

19.5. Along with the call to the meeting, and at least five (5) business days in advance, the Board of Directors members are given the documents or information associated with each point on the Agenda, such that its members may actively participate and make informed decisions.

19.5 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:****NO. Explain:**

Although it is established in this manner in the regulations that govern operation of the Board of Directors and its committees, in practice, all of the Board of Directors members are not always given the full information associated with each point on the Agenda within the period indicated.

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

19.6. The Chairman of the Board of Directors accepts, with the assistance of the Secretary of the Board of Directors, **final responsibility for all of the members receiving the information a sufficient amount of time in advance** and for the information being useful, such that quality must be more important than quantity regarding the set of documents provided, that is, the Board of Directors dashboard.

19.6 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

It is established in this manner in paragraph f of number 1.2.1. in the Board of Directors Regulations included in the Corporate Governance Overview.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

19.7. Final responsibility for the preparation of the Agenda for the Board of Directors meetings corresponds to the Chairman of the Board of Directors and not to the President of the company, and it is structured in accordance with certain parameters that allow for following a logical order in the presentation of issues and debates.

19.7 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

In accordance with the Corporate Bylaws, definition of the agenda for each meeting is a function of the Chairman of the Board of Directors. In practice, the President of the company and members of Upper Management propose an agenda to the Chairman, and after it is approved by the Chairman, he or she takes charge of its fulfillment, as well as prioritizing the issues to be discussed in accordance with the availability of time and the progress of the meetings.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

19.8. In the Annual Corporate Governance Report and on the corporate webpage, **the company discloses members' attendance to meetings of the Board of Directors and its Committees.**

19.8 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:
NO. Explain: This information shall be included in the Corporate Governance Report which shall be submitted for approval by the Assembly of Shareholders in the ordinary meeting.
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	
Modification Dates	

19.9. The Board of Directors annually evaluates the efficacy of its work as a collegial body, that of its Committees, and that of its members considered individually, included peer evaluation, as well as the reasonableness of its internal regulations and the dedication and performance of its members, proposing, as necessary, the modifications to its organization and operation that it considers pertinent. In the case of Conglomerates, the Board of Directors of the parent company demands that the evaluation process also be carried out by the Boards of Directors in its Subsidiary Companies.

19.8 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: The evaluation process is currently being performed in accordance with article 31 of the Corporate Bylaws.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

19.10. The Board of Directors alternates the internal self-evaluation technique with external evaluation carried out by independent evaluators.

19.9 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: It is established in this manner in the internal regulations of the Board of Directors contained in the Corporate Governance Overview. For the evaluation of the 2015 period, the self-evaluation technique is being used.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

Measure No.20: Rights and Responsibilities of the Board of Directors members.

20.1. The Board of Directors Regulations complement what is set forth in the normative framework regarding the rights and responsibilities of the Board of Directors members.

20.1 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Regulations establish the rights and responsibilities set forth by law and the corporate bylaws more specifically.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date

January 15, 2016

Modification Dates

20.2. The Board of Directors Regulations develop the company's understanding regarding the **responsibilities of the Board of Directors members** referred to in recommendation 20.2.

20.2 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Board of Directors regulations develop the contents of said responsibilities, including but not limited to the enunciation of conduct considered to be part of fulfillment of these responsibilities, or transgression of them.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date

January 15, 2016

Modification Dates

20.3. The Board of Directors Regulations develops the content of the **rights of the Board of Directors members** established in recommendation 20.3.

20.3 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Board of Directors regulations effectively develop the contents of the rights of the Board of Directors members and the specific actions that must be deployed in order to guarantee the fulfillment of said rights.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	January 15, 2016
Modification Dates	

Measure No. 21: Conflicts of Interest.

21.1. The company has a policy and a procedure that are defined and formalized in the internal regulations **to understand, administer, and resolve situations of conflict of interest**, either direct or indirect, through the Related Parties, which may affect the Board of Directors members and other Administrators.

21.1 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

Chapter 5 of the Overview sets forth the Responsibilities of Company Employees, Administrators, and Shareholders, the Policy of Transactions with Related Parties, Conflicts of Interest, and Use of Privileged Information.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	January 15, 2016
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Modification Dates	
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21.2. The procedure for managing conflicts of interest distinguishes their nature, differentiating between temporary and permanent conflicts of interest. If the conflict of interest is temporary, the applicable procedure indicates the rules and steps to be followed, which must be relatively easy to administer and difficult to avoid for the affected party. In the case of permanent conflicts of interest, the procedure considers that if this situation affects the overall operation of the company, it must be understood as reason for obligatory resignation by the affected party since it precludes him or her from exercising his or her post.

21.2 The Measure is Implemented

YES

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NO

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N/A

☐
YES. Briefly explain:

In the Conflicts of Interest policy, it is established that those conflicts of interest with affect the company's overall operation and preclude exercise of the post by the person involved in the situation of a conflict of interest lead to the obligatory resignation of the affected party.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	January 15, 2016
Modification Dates	

21.3. The Board of Directors members, Legal Representatives, members of Upper Management, and other Administrators in the company **periodically inform the Board of Directors of the relationships**, direct or indirect, that they maintain with each other or with other entities or structures belonging to the Conglomerate of which the issuer is a part, or with the issuer, or with suppliers, or with clients, or with any other stakeholder, from which could be derived situations of conflict of interest or which could influence the manner of their opinion or vote, thereby creating a "map of Related Parties" of the Administrators.

21.3 The Measure is Implemented

YES

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NO

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N/A

☐
YES. Briefly explain:

The Conflict of Interest policy establishes the obligation to report the circumstances or relationships that may lead to situations of a conflict of interest or which may be considered related parties, such that the company has a map of related parties.

NO. Explain:**NA. Specify the regulations which prevent adopting the**

recommendation:

Implementation Date	January 15, 2016
Modification Dates	

21.4. The relevant conflict of interest situations, understood as those that would obligate the affected party to abstain from a meeting and/or vote including the Board of Directors members and other Administrators, **are included in the public information** that is annually published by the company on its website.

21.4 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

In accordance with the conflict of interest policy, the situations of conflict must be included in the corporate governance report. The Corporate Governance Report for the year 2015 will be published once it is approved by the Board of Directors along with the end-of-year financial information.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

21.5. For these effects, the definition of Related Party that is applied by the company is **consistent with International Accounting Standard 24 (IAS 24)**.

21.5 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The definition of Related Parties included in the Transactions between Related Parties Policy is consistent with IAS 24.

NO. Explain:	
NA. Specify the regulations which prevent adopting the recommendation:	

Implementation Date	January 15, 2016
Modification Dates	

Measure No. 22: Operations with Related Parties.

22.1. The company has a policy that defines the specific procedure to evaluate, approve, and disclose information on operations with Related Parties, including balances outstanding and relationships between them, except for those operations with have specific regulations.

22.1 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Numeral 5.5 of the Transactions with Related Parties Policy, included in the Corporate Governance Overview, establishes the procedures for evaluating, approving, and sharing information on this type of transaction.	
NO. Explain:	
NA. Specify the regulations which prevent adopting the recommendation:	

Implementation Date	January 15, 2016
Modification Dates	

22.2. The company's policy on operations with related parties addresses the issues referred to in recommendation 22.2.

22.2 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The policy on operations with related parties contains the issues referred to in recommendation 22.2.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:****Implementation Date**

January 15, 2016

Modification Dates

22.3 The policy establishes that express authorization from the Board of Directors is not required for recurring related party operations pertaining to the regular course of business carried out in virtue of adhesion contracts or general framework contracts whose conditions are perfectly standardized, massively applied, and performed at market values set generally by the individual who acts as provider of the good or service in question, and whose individual amount is not relevant for the company.

22.3 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

It was defined in this manner in the corresponding policy, also addressing those transactions considered to be the regular course of business in accordance with the corporate bylaws.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:****Implementation Date**

January 15, 2016

Modification Dates

Measure No. 23: Remuneration for the Board of Directors members.

23.1. The company has a policy on remuneration for the Board of Directors members approved by the General Assembly of Shareholders and reviewed every year, **which identifies all of the remuneration components with may effectively be satisfied**. These components may be fixed or variable. They may include fixed fees for being a member of the Board of Directors, fees for attendance to the meetings of the Board and/or its Committees, and other emoluments of any kind accrued in the course of the exercise, whatever its cause, in money or in kind, as well as the obligations undertaken by the company regarding pensions or the payment of life insurance premiums, or other payments, both regarding former and current members, as well as any premiums for liability insurance (D&O policies) undertaken by the company in favor of Board of Directors members.

23.1 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Board of Directors Remuneration Policy contains the criteria for determining the remuneration of the Board of Directors and the members of the Board's Committees.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:****Implementation Date**

June 11, 2015

Modification Dates

23.2. If the company adopts remuneration systems through recognition of a variable component linked to the company's smooth functioning in the medium and long term, **the remuneration policy includes limits on the amount** that can be distributed to the Board of Directors, and, if the variable component is related to the company's benefits or other management indicators at the end of the evaluation period, it must consider eventual exceptions that appear in the Statutory Auditor's report and which could lessen the period's results.

23.2 The Measure is Implemented

YES

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NO

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N/A

☒**YES. Briefly explain:****NO. Explain:**

NA. Specify the regulations which prevent adopting the recommendation: The criteria which are considered for the Board's remuneration do not include recognition of a variable component.

Implementation Date	
Modification Dates	

23.3. Proprietary and Independent Board of Directors members are expressly excluded from remuneration systems that include stock options or a variable remuneration linked to absolute variation in stock price.

23.3 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: The Board of Directors Remuneration Policy does not include a variable component.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	June 11, 2015
Modification Dates	

23.4. For each period evaluated, in the framework of the remuneration policy, the General Assembly of Shareholders approves a maximum cost for the Board of Directors for all of the approved remuneration components.

23.4 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: The Board of Directors Remuneration Policy establishes the definition by the General Assembly of Shareholders of a maximum amount which includes all of the remuneration components for attendance to meetings.
NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	June 11, 2015
Modification Dates	

23.5. The total actual cost of the Board of Directors for the period evaluated, which includes all of the remuneration components fulfilled for the Board of Directors members, as well as the reimbursement of expenses, is known by the shareholders and published on the company's website with the level of disaggregation and details approved by the Board of Directors.

23.5 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The annual total cost of the Board of Directors, including all remuneration components, is published in the report which is presented to the Assembly of Shareholders in its ordinary meeting. Likewise, this report is published on the company's webpage.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
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Modification Dates	
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Measure No. 24: The Company President and Upper Management.

24.1. The company's governance model establishes an effective separation between the administration or government of the company (represented by the Board of Directors) and the Regular Course of business (which is the responsibility of Upper Management under the leadership of the President of the company).

24.1 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

It is established in this manner in the corporate bylaws.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	March 17, 2015
Modification Dates	

24.2. In general, the Board of Directors policy consists of delegating the Regular Course of business to the Upper Management Team, concentrating its activity in general functions of strategy, supervision, governance, and control.

24.2 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The functions of the Board of Directors and Legal Representatives are established in this manner in the corporate bylaws.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	March 17, 2015
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Modification Dates	
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24.3. As a general rule, members of Upper Management are identified, evaluated, and appointed directly by the President of the company since they are his or her direct collaborators. Alternatively, **the company may opt for members of Upper Management to be appointed by the Board of Directors by proposal of the President of the company.** Regardless of who makes the final appointment, the candidates for these key executive positions in the company are known and evaluated by the Appointment and Remuneration Committee of the Board of Directors, which shall issue its opinion.

24.3 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

As a general rule, members of Upper Management are identified, evaluated, and appointed by the President of the company. When said members in turn have functions of legal representation of the Company, they are evaluated and appointed by the Board of Directors following approval by the Appointment, Remuneration, and Corporate Governance Committee.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	March 17, 2015
Modification Dates	

24.4. The company has a clear policy to delegate functions approved by the Board of Directors and/or a powers framework that shows the level of powers of the President of the company and other members of Upper Management.

24.4 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Company has a defined organizational structure approved by the Board of Directors which defines the rules for delegating functions to other members of Upper Management.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

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Implementation Date	September 11, 2015
Modification Dates	

24.5. The Board of Directors, through the Appointment and Remuneration Committee, or whomever fulfills this role, **annually leads the performance evaluation of the President of the company** and has knowledge of the evaluations of the other members of Upper Management.

24.5 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

It is established in this manner in the Committee's regulations.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

24.6. The company has a remuneration policy for the President of the company and the other members of Upper Management approved by the Board of Directors which identifies all of the remuneration components that effectively may be fulfilled, linked to achieving long-term goals and risk levels.

24.6 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

NO. Explain:

The company does not have a remuneration policy for the President of the company and the members of Upper Management. The Appointment, Remuneration, and Corporate Governance Committee defines the remuneration components for each of these positions.

NA. Specify the regulations which prevent adopting the recommendation:
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Implementation Date	
Modification Dates	

24.7. If the President of the company's remuneration includes a fixed component and a variable component, its technical design and manner of calculation prevents the variable component from exceeding the maximum limit established by the Board of Directors.

24.7 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The remuneration Policy for the President and the other members of Upper Management establishes a manner of calculating the variable component with prevents it from exceeding the maximum amount defined for it.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	September 1, 2015
Modification Dates	

III. CONTROL ARCHITECTURE

Measure No. 25: Control Environment.

25.1. The Board of Directors is finally responsible for the existence of a solid control environment within the company that is adapted to its type, size, complexity, and risks, such that it fulfills the estimates indicated in recommendation 25.1.

25.1 The Measure is Implemented YES ☒ NO ☐ N/A ☐

YES. Briefly explain:

In accordance with article 34 of the corporate bylaws, it is the responsibility of the Board of Directors to ensure an appropriate control environment within the company and its subsidiaries, promoting a control architecture that addresses all of the companies in the group and supervising its effectiveness.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	March 17, 2015
Modification Dates	

25.2. In the case of Conglomerates, the Board of Directors of the parent company **promotes the existence of a Control Architecture with a consolidated** and formal scope, and which includes all of the Subordinate companies, establishing responsibilities with respect to the policies and guidelines on this matter at the conglomerate level and defining clear reporting lines that provide a consolidated view of the risks to which the Conglomerate is exposed and allow for control measures to be taken.

25.2 The Measure is Implemented YES ☒ NO ☐ N/A ☐

YES. Briefly explain:

In accordance with the stipulations of article 34 of the corporate bylaws, the Board of Directors of the Company approved the control architecture policy which applies not only to the Company, but to its subsidiaries.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

Measure No. 26: Risk Management.

26.1. In the company, the **risk management goals** are those considered in recommendation 26.1.

26.1 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The Company has defined its risk management processes to perform appropriate activities to identify, evaluate, effectively manage, monitor, and evaluate risks in accordance with the information set forth in recommendation 26.1.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	September 11, 2014
Modification Dates	January 15, 2016

26.2. The company has a **risk map**, understood as a tool for identifying and monitoring financial and non-financial risks to which it is exposed.

26.2 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The Company has a risk map which is periodically updated and based on which the identified risks are addressed.

NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	September 11, 2014
Modification Dates	

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

26.3 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: The Board of Directors, with the support of the Audit and Risks Committee, defined the risk administration policy and the limits for exposure to these risks.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	September 11, 2014
Modification Dates	January 15, 2016

26.4. The Board of Directors understands and periodically supervises the company's effective exposure to the maximum limits of defined risks and proposes actions for correction and monitoring in case of deviation.

26.4 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Both the Board of Directors and the Audit and Risks Committee periodically supervise the effective
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application of the Company's Risk Policy.	
NO. Explain:	
NA. Specify the regulations which prevent adopting the recommendation:	

Implementation Date	March 17, 2015
Modification Dates	

26.5. Within the framework of the risk administration policy, **Upper Management is the owner of the processes and is responsible for risk administration**, that is, for identifying, evaluating, measuring, controlling, monitoring, and reporting risks, defining methodologies, and ensure that risk administration is consistent with the strategy, the defined risk policy, and the maximum approved limits.

26.5 The Measure is Implemented

YES

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NO

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N/A

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<p>YES. Briefly explain: It is defined in this manner in the risk administration policy. It is the responsibility of Upper Management to identify, evaluate, measure, control, monitor, and report risks.</p>
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	September 11, 2014
Modification Dates	

26.6. The company has a policy for risk delegation approved by the Board of Directors which establishes the limits of risk which can be directly administered by each level in the company.

26.6 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The company has an organizational structure approved by the Board of Directors which establishes delegation of risks in its different levels.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date

September 1, 2015

Modification Dates

26.7. In Conglomerates, risk administration must be done at the consolidated level such that it contributes to the cohesion and control of the companies that make it up.

26.7 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The Company defined in its risk administration policy that risk administration would be performed at the consolidated level.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date

September 11, 2014

Modification Dates	
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26.8. If the company has a complex and diverse business and operational structure, **there is a position titled Chief Risk Officer (CRO)** with capacities at the Conglomerate level if it includes integrated companies in situations of control and/or corporate groups.

26.8 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The company's organizational structure establishes that whoever holds the position of Chief of the Risk, Insurance, and Litigations Department has the role of CRO and capacities at the conglomerate level.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	September 11, 2014
Modification Dates	

Measure No. 27: Control Activities.

27.1. The Board of Directors is responsible for ensuring the existence of an appropriate internal control system adapted to the company and its complexity and consistent with the risk management in force.

27.1 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

This is one of the functions of the Board of Directors set forth in the corporate bylaws and of the Audit and Risks Committee in the Board of Directors regulations, which can be consulted in the Corporate Governance Overview.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

27.2. The Board of Directors is responsible for supervising the effectiveness and suitability of the internal control system, which may be delegated to the Audit Committee without the Board thereby losing its responsibility for supervision.

27.2 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

In the company's bylaws and the internal regulations of the Audit and Risks Committee, it is established that both bodies will carry out the function of supervising the internal control system such that the Committee supports the Board of Directors by more frequently monitoring the Internal Auditing Office.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

27.3. The company applies and demands the principle of self-control, understood as the "capacity of individuals who participate in the different processes to consider control as an inherent part of the responsibilities, scopes of activity, and decision-making."

27.3 The Measure is Implemented

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 system which requires that the individuals who participate in the different processes understand control as part of their responsibilities derived from those same processes.

NO. Explain:

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NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	December 31, 2001
Modification Dates	

Measure No. 28: Information and communication.

28.1. In the company, the culture, philosophy, and risk policies are communicated downward and horizontally, as are the approved exposure limits such that the entire organization considers the risks and control activities within its activities.

28.1 The Measure is Implemented

YES

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NO

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N/A

☐

YES. Briefly explain:

The Control Architecture approved by the Board of Directors establishes mechanisms to ensure communication within the different levels of the organizational structure, downward and horizontally, of risks and control activities pertaining to each process.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

28.2. The company has a mechanism for reporting information upward (to the Board of Directors and Upper Management) that is truthful, understandable, and complete, such that it supports and allows for informed decision-making and the administration of risks and control.

28.2 The Measure is Implemented

YES

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NO

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N/A

☐

YES. Briefly explain: The Control Architecture policy defines mechanisms for upward reporting of information.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

28.3. The company's **communication and information reporting mechanism** allows: i. Upper Management to involve the entire company, highlighting its responsibility regarding risk management and the definition of controls, and ii. the company's personnel to understand their role in risk management and control identification, as well as their individual contribution in relation to the work of others.

28.3 The Measure is Implemented YES ☒ NO ☐ N/A ☐

YES. Briefly explain: The flow of communication defined in the Control Architecture allows Upper Management to include the entire organization, highlighting its responsibility regarding risk management and the identification and definition of controls.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

28.4. There are internal lines for whistleblowers that allow employees to anonymously communicate illegal or unethical behaviors or behaviors which could contravene the company's risk administration cultural and controls. A report of these accusations is made known to the company's Board of Directors.

28.4 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The transparency Policy approved by the Board of Directors and contained in the Corporate Governance Overview establishes the following as mechanisms for receiving allegations: the email etica@grupo-exito.com or the telephone number 018000-522526, as well as immediate supervisors, the Ethics Committee, or the Internal Auditing Office.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	September 11, 2014
Modification Dates	January 15, 2016

Measure No. 29: Control Architecture Monitoring.

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

29.1 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

One of the functions of said Committee is to support the Board of Directors in the function attributed by it in the corporate bylaws on supervision of the integrity and trustworthiness of the accounting systems and internal information based on reports by the statutory auditing office, the internal auditing office, and the legal representatives, among others.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

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Implementation Date	March 17, 2015
Modification Dates	

29.2. In the company, the **task of monitoring aimed at providing assurance of the effectiveness of the Control Structure** mainly involves the **internal auditing office in cooperation with the Statutory Auditor** in the matters pertaining to his or her competence and particularly related to the financial information generated by the company.

29.2 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

It was defined in this manner in the Company's Control Architecture.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

29.3. The function of the company's internal auditing office includes an Internal Auditing Statute approved by the Audit Committee which expressly includes the scope of its functions in this matter, which should include the issues referred to in recommendation 29.3.

29.3 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The internal auditing statute not only includes the issues referred to in recommendation 29.3, but also the standards of the international framework for the professional practice of Internal Auditing issued by the Institute of Internal Auditors - IIA Global.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	November 19, 2014
Modification Dates	

29.4. The party finally responsible for the internal audit maintains a relationship of professional independence with regards to Upper Management of the company or Conglomerate who hires him or her through a functional dependence exclusively to the Auditing Committee.

29.4 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

It was established in this manner in the corporate bylaws, which set forth in article 59 that the Internal Auditor depends professionally and functionally on the Board of Directors.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

29.5. In the company, the appointment and removal of the party responsible for the internal audit is a responsibility of the Board of Directors, based on a proposal by the Audit Committee, and his or her removal or resignation is communicated to the market.

29.5 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

It was set forth in this manner in the corporate bylaws in article 59.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

29.6. The **Statutory Auditor of the company or Conglomerate** maintains a clear Independence with regards to it, and this characteristic must be declared in the respective audit report.

29.6 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The Independence of the Statutory Auditor is a necessary condition for his or her postulation by the Board of Directors and his or her appointment by the General Assembly of Shareholders in accordance with the Corporate Governance Overview.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

29.7. If the society acts as a Conglomerate Parent Company, the **Statutory Auditor is the same for all of the companies, including off-shore companies.**

29.7 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

It is defined in this manner in the Corporate Governance Overview.

NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

29.8. The company has a policy for appointing the Statutory Auditor approved by the Board of Directors and communicated to the Shareholders which includes the provisions established in recommendation 29.8.

29.8 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: The Corporate Governance Overview contains this policy.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	January 15, 2016
Modification Dates	

29.9. In order to avoid an excessive connection between the company and the Statutory Auditor's firm and/or its teams and to maintain its Independence, the company establishes a maximum hiring period of between five (5) and ten (10) years. For the case of the Statutory Auditor's Office, a natural person not contracted by a firm, the maximum hiring period is five (5) years

29.9 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

NO. Explain: Although the Corporate Governance Overview did not establish a maximum term during which the company could reelect the Statutory Auditor's firm, it did establish that at least every five years, the natural person who fulfills the functions of Statutory Auditor within said firm must rotate.
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	
Modification Dates	

29.10. Within the maximum hiring period, the company **promotes rotation of the partner of the Statutory Auditor firm assigned to the company** and its work teams at the halfway point of the period. At the end of the period, the firm must obligatorily be rotated.

29.10 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain: Although the corporate bylaws and Corporate Governance policies do not establish a maximum period for the reelection of the Statutory Auditor, the rotation of the partner at the firm who carries out said function and of its work team has been carried out during the periods contained in the recommendation. The main current Statutory Auditor was appointed in 2012 and his team was renewed in the year 2014.
NO. Explain:
NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	August 29, 2012
Modification Dates	

29.11. In addition to the ban in force of contracting professional **services of the Statutory Auditor** different from those of the financial audit itself and other functions recognized in regulations in force, the company extends this limitation to persons or entities related to the Statutory Audit, which include the companies in its group, as well as the companies in which there is a high level of coincidence of partners and/or administrators with those of the Statutory Audit firm.

29.11 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

It was regulated in this manner in the Corporate Governance Overview.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	January 15, 2016
Modification Dates	

29.12. In its public information, the company reveals the total amount of the contract with the Statutory Auditor, as well as the proportion represented by his or her fees paid by the company in relation the total income of the firm related to the statutory audit.

29.12 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Company discloses the information on fees to be paid to the Statutory Auditor's Office for services in order to prepare this information to be presented to the Assembly of Shareholders such that it may choose the Statutory Auditor's Office, and presented after the Assembly's decision.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	March 20, 2014
Modification Dates	

V. TRANSPARENCY AND FINANCIAL AND NON-FINANCIAL INFORMATION

Measure No. 30: Disclosure of information policy.

30.1. The Board of Directors has approved a disclosure of information policy which identifies, at least, the information referred to in the recommendation.

30.1 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

Specifically, the disclosure of information policy approved by the Board of Directors includes the information referred to in recommendation 30.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	January 15, 2016
Modification Dates	

30.2. In the case of Conglomerates, the disclosure of information to third parties is comprehensive and transverse and refers to the set of companies, allowing external third parties to form an informed opinion based on the reality, organization, complexity, activity, size, and governance model of the Conglomerate.

30.2 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Company discloses the financial and non-financial information required by law related both to the Company itself and to the set of companies that are part of the Conglomerate.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	May 29, 2015
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Modification Dates	
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Measure No. 31: Financial Statements.

31.1. If there are *exceptions* in the Statutory Auditor's report, these and the actions the company proposes to settle the situation shall by the object of a declaration **before the shareholders** at the General Meeting through the chairman of the Audit Committee.

31.1 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The Statutory Auditor presents his or her report before the Assembly of Shareholders. There has never been a case of exceptions in the financial statements, but if one should arise, the Corporate Governance Overview establishes that the Chairman of the Audit Committee must present the analysis performed by this Committee.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date	January 15, 2016
Modification Dates	

31.2. When, in relation to *exceptions* and/or *emphasis of matter paragraphs* by the Statutory Auditor, the Board of Directors considered that his or her decision must be upheld, this opinion is **appropriately explained and justified** through a written report to the General Assembly, specifying the content and scope of the discrepancy.

31.2 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Despite the fact that a situation like this has never arisen, the Corporate Overview establishes this mechanism in case this situation does arise.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

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Implementation Date	January 15, 2016
Modification Dates	

31.3 Operations with or between Related Parties, including operations between companies within the Conglomerate which, through objective parameters such as the size of the operation, percentage of assets, sales, or other indicators, are judged to be material by the company, **are included with details in the public financial information, as are off-shore operations.**

31.3 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

Operations between related parties are reported to the market in the Management Report, in notes to financial statements, and in the corporate governance report.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	December 31, 2000
Modification Dates	May 29, 2015

Measure No. 32: Information to the markets.

32.1. In the framework of the disclosure of information policy, the Board of Directors (or the Audit Committee) **adopts the necessary measures to guarantee that financial and non-financial information regarding the company will be transmitted to the financial and capital markets** as demanded by legislation in force, as well as all information considered relevant for investors and clients.

32.1 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The Disclosure of Financial and Non-financial Information Policy establishes that the Audit and Risk Committee is responsible for supervising the processes of information and financial reporting. Likewise, the Vice President of Finance, the Secretary General, and the Communications Office are the areas responsible for guaranteeing transmission to the financial and capital markets of all the financial and non-financial information regarding the company demanded by legislation in force, as well as all information considered relevant for investors and clients.

NO. Explain:

Implementation Date	January 15, 2016
Modification Dates	

32.2. The company's webpage is organized and *user-friendly* such that it is simple for the user to access information associated with or related to Corporate Governance.

32.2 The Measure is Implemented

YES

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NO

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N/A

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<p>YES. Briefly explain:</p> <p>The Company's webpage seeks to offer a pleasant navigation experience and easy access to its users.</p>
<p>NO. Explain:</p>
<p>NA. Specify the regulations which prevent adopting the recommendation:</p>

Implementation Date	March 17, 2015
Modification Dates	

32.3. The company's webpage includes, at least, the links referred to in recommendation 32.3.

32.3 The Measure is Implemented

YES

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NO

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N/A

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<p>YES. Briefly explain:</p> <p>Precisely, the Company's webpage and, specifically, the mini-site for Investors, were designed in order to comply with the issues described in recommendation 32.3, among others.</p>
<p>NO. Explain:</p>

NA. Specify the regulations which prevent adopting the recommendation:
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Implementation Date	March 17, 2015
Modification Dates	

32.4. The formats for communication information to the markets used by the company in general **are documents that can be printed, downloaded, and shared.**

32.4 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The main communication channel is the webpage, where all of the accessible documents are published, which can be downloaded, sent, and studied.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	March 17, 2015
Modification Dates	

32.5. If the company is large and complex, it annually publishes on its webpage **an explanatory report on the organization, methods, and procedures of the Control Architecture** implemented in order to provide correct and sure financial and non-financial and to safeguard the entity's assets and the efficiency and security of its operation. The information on the Control Architecture is complemented by a risk management report.

32.5 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

NO. Explain:

The Company is currently working on preparing the Corporate Governance Report, which will include the explanation of the organization, methods, and procedures of the Control Architecture implemented. Said report must be approved by the Board of Directors in the session corresponding to the approval of the other documents and reports at the end of fiscal year 2015.

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	
Modification Dates	

Measure No. 33: Annual Corporate Governance Report.

33.1. The company annually prepares a Corporate Governance Report, for whose content the Board of Directors is responsible following review and a favorable report from the Audit Committee, which is presented along with the rest of the documents at the close of the fiscal year.

33.1 The Measure is Implemented

YES

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NO

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N/A

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YES. Briefly explain:

The Company is currently working on the preparation of said report, which must be approved by the Board of Directors in the session corresponding to the approval of the other documents and reports at the end of fiscal year 2015.

NO. Explain:

NA. Specify the regulations which prevent adopting the recommendation:

Implementation Date	December 31, 2015
Modification Dates	

33.2. The company's Annual Corporate Governance Report is not merely a transcription of the Corporate Government norms included in the Bylaws, internal regulations, codes of good governance, or other secretarial documents. Its purpose is not to describe the company's corporate governance model, but to explain the reality of its function and the relevant changes during the fiscal year.

33.2 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Annual Corporate Governance Report contains information on the application and compliance with corporate law policies during the year 2015. Said report will be published once it is approved by the Board of Directors along with the remaining documents and reports at the end of the fiscal year.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date

December 31, 2015

Modification Dates

33.3. The company's Annual Corporate Governance Report contains information at the end of the fiscal year which **describes the way in which the Corporate Governance recommendations adopted by the company were fulfilled and the main changes that occurred.**

The structure of the company's Annual Corporate Governance Report is aligned with the outline included in recommendation 33.3.

33.3 The Measure is Implemented

YES

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NO

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N/A

☐**YES. Briefly explain:**

The Corporate Governance report includes the information contained in recommendation 33.3. However, the corporate governance report will be presented pending approval by the Board of Directors along with the remaining documents and reports corresponding to the end of the fiscal year.

NO. Explain:**NA. Specify the regulations which prevent adopting the recommendation:**

Implementation Date

December 31, 2015

Modification Dates

