



CORPORATE GOVERNANCE CODE

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INTRODUCTION

Grupo Nutresa S. A. is a Colombian company incorporated on April 12, 1920; it is located in Medellín. Its shares are registered in the Colombian National Securities and Issuers Registry.

Its main economic activity is the investment of shares, quotas or portions of interest, especially in food-sector companies specializing in the coffee, cold cuts, chocolate, biscuits, ice cream, pasta businesses and consumer food.

This Code is aimed at providing the Administration and the subsidiaries, as well as their employees, shareholders and other investors, an expeditious instrument to ensure compliance with the *Grupo Nutresa* vision, mission and business purpose, while remaining subject to the Company philosophy and strategic goals.

The Company's commitment to respect ethical principles regarding the State, the community, the shareholders and other investors is clearly defined in this Corporate Governance Code.

The Company's conduct regarding the State is to obey and support the legitimately established agencies and authorities and to actively cooperate with them, for the straightforward application of the law.

In regards to the community, the Company will take action in industrial association, sector or national issues; it will pursue a better quality of life; it will use technology that represents little risk to the environment; and it will participate in charity work and events of common social benefit.

Regarding shareholders and other investors, the Company will always propose a profit distribution according to the conditions established by the Company; shareholders and other investors will enjoy equal treatment; their legitimate rights will be respected; and they will be fully informed of the Company's current situation, in a timely, truthful, transparent manner.

The above principles constitute the mandatory criteria to interpret and apply this Code, as well as the vision, mission, philosophy and strategic goals determined below.

Likewise, through their commitment to and leadership regarding internal control and ethical values as set forth herein, *the company's* Senior Management will transmit such values to all levels of the Organization.



VISION

Our Centennial strategy is aimed at duplicating our 2013 sales by 2020, with sustained profitability between 12% and 14% of the EBITDA margin.

To achieve this, we offer our consumer foods and experiences with recognized and valued brands that nourish, that generate wellness and pleasure, and that are distinguished by the best Price/value relation; widely available in our strategic region; managed by talented, innovative, committed and responsible people who contribute to sustainable development.

MISSION

- The mission of our Company is creating increased value, achieving an outstanding return on investments, greater than the cost of capital employed.
- In our food businesses, we always seek to improve consumer quality of life and the progress of our people.
- We look for profitable growth with leading brands, superior service and excellent national and international distribution.
- We are committed to the management of our activities by being committed to Sustainable Development, with the best human talent, outstanding innovation and exemplary corporate behavior.

CORPORATE PHILOSOPHY AND PERFORMANCE

- Autonomy and strategic coherence
- Good corporate governance
- Corporate Social Responsibility
- World-class competitiveness
- Encouragement of innovation and knowledge
- Development of our people
- Actions based on ethical behavior
- Participation and collaborative management
- Respect
- Food safety

STRATEGIC GOALS

- Increasing value generation



- Profitable growth
- International expansion
- Effective innovation
- Sustainable development
- Development of our people
- Client and consumer satisfaction
- Market growth and leadership

CHAPTER I – CORPORATE GOVERNANCE

ARTICLE 1 – MECHANISMS TO EVALUATE AND CONTROL THE ADMINISTRATORS’ PERFORMANCE

- a) The Board of Directors and the Administration will present the statutory and legal reports on annual activities, as well as a sustainability report (Annual and Sustainability Report or Management Report) that includes economic, social and environmental aspects, to the Shareholders’ Assembly in its ordinary meeting each year, which the Assembly will use to verify the formers’ assessment and exercise pertinent controls.

The Legal Representative will submit the draft of the management report, to be presented to the Shareholders’ Assembly, for the Boards’ consideration.

- b) Whether directly or through the Committees that it forms pursuant hereto, the Board of Directors will ensure compliance of Company policies and regulations and will review the Company Chief Executive Officer’s performance as well as that of the directors directly below him or her.

ARTICLE 2 – MECHANISMS TO PREVENT, HANDLE AND DISCLOSE CONFLICTS OF INTEREST

There will be a conflict of interest when two interests cannot be simultaneously satisfied: one interest belonging to an Advisor, an Administrator, an employee or a shareholder and the other interest belonging to one of the companies in the *Grupo Empresarial*, whether the interest is theirs or that of a third party.

Conflicts of interest that may arise between the Advisors, Administrators, employees and the Company or the companies in the *Grupo Empresarial* or conflicts of interest that arise among shareholders and the Advisors, Administrators or employees will be submitted to the consideration and decision of a special commission formed by the Board of Directors. This commission will be made up of two (2) of its members and will hold a meeting



whenever necessary to consider any conflict of interest in particular, upon summons by the Legal Representative or the Board.

Therefore, each Advisor, Administrator, employee or shareholder must disclose his or her conflicts of interest or any situation that—due to its particularities—the Company and/or the *Grupo Empresarial* deems inconvenient.

ARTICLE 3 – MECHANISMS TO IDENTIFY AND DISCLOSE THE PRINCIPAL COMPANY RISKS

As an issuer of certificates registered in the Colombian National Securities and Issuers Registry, the Company is bound to disclose to the general public and especially to the investors of variable-income and/or fixed-income stock certificates, any administrative, financial or any other type of circumstance that, according to the identification criteria stated below, implies a variation in the risk classification, rating and grading of the corresponding certificate.

To identify the main risks, significant changes in the debt index or in the cash flow statement will be taken into account, as well as a substantial reduction of income and an abnormal decrease in profitability.

In order to avoid the Company from being used as an instrument for concealing, handling, investing or seizing any type of money or other assets that may come from illicit activities while conducting its operations and/or negotiating its stock certificates through the stock market and/or otherwise, the Board of Directors shall adopt and maintain updated the Manual to Prevent and Control Money Laundering and the Financing of Terrorism, pursuant to law.

ARTICLE 4 – MECHANISMS THAT ALLOW SHAREHOLDERS AND OTHER INVESTORS TO REQUEST SPECIALIZED AUDITS

At their own cost and under their sole responsibility, shareholders and other investors may request specialized audits solely and specifically aimed at studying the circumstances related to important findings made by the Fiscal Auditor or related to identifying the main Company risks. Such audits will be subject to the terms and the procedure stated below, and they may be conducted solely within the Company document-inspection period to which the shareholders are entitled, before holding the Shareholder Assembly meeting in which the financial statements are to be considered:

- Specialized audits must be requested in writing to the Legal Representative; such written request must come from a group of shareholders and investors who either



individually or as a group represent five percent (5%) or more of the respective shares or stock certificates. Such a percentage is considered to be sufficiently representative and is pursuant to the Company bylaws regarding the submission of proposals to the Board by the shareholders and investors, as well as with the legal provisions that grant them certain rights as of such percentage.

Furthermore, specialized audit requests should include information on the firms or the professionals to be hired for such audits, which or who should, as a minimum, have the same qualifications as the Fiscal Auditor appointed by the Shareholders' Assembly for the corresponding period.

- Under no circumstance may specialized audits be in violation of Company rights, information rights, industrial secret rights, intellectual property rights, the provisions in contracts that entail competitive advantages and, generally speaking, all documents considered privileged or confidential or the property of third parties, pursuant to Article 15 of the Colombian National Constitution and to Article 61 of the Commerce Code. Nor may they affect the Administrators' autonomy, pursuant to the legal and statutory powers conferred upon them.
- The documents and the information involved in such audits may not be removed from the Company, nor may any copies be made without the previous express authorization by the Legal Representative, for each and every case.
- Upon receiving the request, the Legal Representative will have two (2) business days to issue a decision to the Board of Directors, which will have five (5) business days to respond in writing to the requesting shareholders.

Upon the authorization of the audit, the interested parties and the firm or the professional in charge of the audit must sign and submit to the Company a document stating:

- a) A. That they are bound to keep confidential any and all information disclosed to them by virtue of the audit, and that they clearly understand that such information may not be shared with third parties using any means nor may it be used for speculation and that the audit will be conducted pursuant to the terms and conditions set forth herein and pursuant to the terms under which the audit is authorized.
- b) The auditor is bound to keep all work documents confidential and to keep them for a minimum of five (5) years; furthermore, the auditor must simultaneously issue the audit report to the petitioners and to the Company in a maximum period of five (5) business days after the audit is completed.



- c) The responsibility borne severally by the interested parties and the auditor for all prejudice caused to the Company and/or to its chief officers or to investors because of such audit.

ARTICLE 5 – MECHANISMS TO IMPLEMENT SUITABLE INTERNAL CONTROL SYSTEMS AND DISCLOSURE OF SUCH SYSTEMS

Within its internal-control system, the Company will have the necessary means to protect its resources against loss due to inefficiency or fraud and it will promote order and effectiveness in the execution of its activities, as well as the accuracy and reliability of the information required to manage and control the Company. For that purpose, the Company may hire specialized auditing and control services, taking into account its business strategy, to ensure compliance with its goals and objectives; it will identify accountability and risk scenarios; and it will design control plans.

Besides observing legal regulations on such matters, it will have budgeting and cost tools, a charter of accounts, regulatory procedures and formats for documenting the Company's main operations, supported, to a good extent, by an integrated information system.

Periodically, pursuant to law and to Colombian Financial Superintendence instructions, financial statements and other reports are to be disclosed, as well as the material findings resulting from the internal-control activities. The above will offer shareholders and investors effective tools for monitoring the Company management and control.

Likewise, based on a constructive analysis scheme and on standards of independent action and judgment, the Fiscal Auditor's Office shall verify the compliance of legal, statutory and administrative regulations and the proper protection, utilization and conservation of Company assets, through control, analysis, surveillance and inspection actions developed for Company operations, thus generating assuredness for shareholders, the Board, the Administration and the State.

Likewise, the Company will have control and disclosure procedures to ensure the veracity of the information presented.

In order to define the *Grupo Empresarial* corporate guidelines related to the prevention, detection, investigation and response to fraud and corruption risks, the Company has adopted an Anti-Fraud and Anti-Corruption Policy aimed at minimizing the probability of incurring in these risks.

The Anti-Fraud and Anti-Corruption Policy is part of this Corporate Governance Code as "Attachment 1 – Anti-Fraud and Anti-Corruption Policy," and applies to employees,



clients, suppliers or third parties who have any relation with the *Grupo Empresarial* companies in Colombia or abroad.

In addition, the Company has defined the corporate guidelines for the *Grupo Empresarial* regarding management to prevent and control the risk of money laundering (ML) and financing of terrorism (FT) through its ML-FT policy, which is part of this Corporate Governance Code as “Attachment 2-ML-FT Policy.” This policy aims to reduce the possibility that *Grupo Empresarial* companies, in the development of their operations, are used directly or indirectly as instruments to conceal, manage, invest or utilize any form of money and other assets derived from illicit activities.

ARTICLE 6 –SPECIFIC MECHANISMS TO ENSURE EQUAL TREATMENT FOR ALL SHAREHOLDERS AND OTHER INVESTORS

The Company Board of Directors will ensure, among others, fair, equal treatment to all shareholders, disregarding the number of shares that each holds, and will ensure that each shareholder can obtain timely, complete answers to their questions, if the Company is bound to disclose such information or if the information is not prohibited by some legal or contractual confidentiality restriction, and the total payment of dividends and yields, pursuant to the terms agreed upon or mandated by the pertinent corporate body.

Discriminatory or preferential treatment by any officer or employee of any shareholder or group of shareholders goes against the provisions herein and will constitute a severe breach of his or her work contract; thus constituting just cause for contract termination. A clause stipulating the above will be included in labor contracts entered into after the adoption of this Corporate Governance Code, and whenever possible, one such clause will be added to valid contracts entered into before. Legal Representatives, officers and employees whose duties entail dealing with shareholders and investors will immediately comply with the provisions herein and will be warned of the consequences that the non-compliance of their obligations will generate.

ARTICLE 7–SPECIFIC MECHANISMS TO ENABLE SHAREHOLDERS AND INVESTORS TO CLAIM NON-COMPLIANCE WITH THE PROVISIONS IN THE CORPORATE GOVERNANCE CODE TO THE BOARD OF DIRECTORS

Any shareholder or investor who considers that his/her/its rights have been violated due to non-compliance with any provision contained in this Corporate Governance Code may claim in writing effective immediate compliance, and such claim must be studied and answered by the Board of Directors.



The officer or employee who did not comply with such provisions, whether through some action or through failure to perform his or her duties, will be in severe violation of his or her work contract and will face the consequences stated in Article 42 herein, without prejudice to any other legal consequences derived from such violation.

ARTICLE 8 –SHAREHOLDERS AND SHARES

- a) **Types of Shares:** The shares into which the authorized capital or capital stock is divided can be ordinary shares or shares with preferential dividends without the right to vote, also called preferred shares, which can be non-materialized circulating shares, pursuant to law.

Unless stated otherwise, capital stock will be understood as ordinary shares entitling the holder to all rights set forth by law for that type of share.

The corresponding issuance regulations must establish what type of share is being issued, its form of circulation and any special rights that it confers upon the holder in the case of preferred shares, also called preferential dividend shares without the right to vote.

There will be a separate registry for each type of share.

Unless the Shareholders' Assembly delegates the duty to the Board of Directors, it must approve the issuance of preferred shares or of preferential dividend shares without the right to vote, the decision regarding the rights and economic prerogatives that such shares confer upon the holder, subject to the limitations set forth by law, as well as the corresponding issuance rules and regulations.

The Shareholders' Assembly may also issue, at any time, service and dividend right shares/retired share benefits along with their respective rights and regulations.

Stock certificates, share registration, share issuance and subscription will be governed by the provisions set forth by law and in the Company bylaws.

- b) **Shareholders' Rights:** By virtue of the rights conferred by law and in the Company Bylaws, shareholders may:
- Monitor the internal-control systems by consulting the information that the *Grupo Empresarial* companies send periodically to the superintendence or by exercising their right to inspection.
 - Request and obtain authorization to summon a special meeting of the Shareholders'



Assembly, provided that the petitioners represent minimum one-fourth (1/4) of the Company's capital, and when special, unforeseen or urgent Company needs require calling such a meeting or when there are sufficient elements to reasonably assume that such a meeting is necessary in order to guarantee the shareholders' rights or to provide information that they need related to the Fiscal Auditor's reports or to reports that the Company has made public.

- Summon an extraordinary meeting of the Shareholders' Assembly, provided that the petitioners represent minimum twenty percent (20%) of the registered shares, to deliberate the Company actions for which the Administrators are responsible.
- At least ten (10) days prior to the holding of the Shareholders' Assembly at which the election of the Board of Directors or the designation of the Fiscal Auditor is to be considered, submit proposals for the election of the Board of Directors or request that the proposal to appoint a particular person or entity as Fiscal Auditor be considered at that meeting.

To ensure that the profile of the candidates proposed by shareholders to be members of the Board of Directors meets the requirements of this Corporate Governance Code, and that, indeed, the persons who present themselves as independent members meet the conditions established to hold this position, the Corporate Governance Committee and the Board of Directors' Issue Committee will evaluate each one of the proposals presented and issue a concept which will be read at the Shareholders' Assembly in which the corresponding election is to be made.

- Request that the Fiscal Auditor disclose to shareholders and investors the relevant findings that have been made in exercising his legal and statutory duties.
- Request and be in charge of special audits pursuant to Article 4 in this Corporate Governance Code.
- Present proposals to the Board of Directors, provided that they are submitted by more than one (1) shareholder and that they represent at least five percent (5%) of the registered shares. The Board of Directors must consider the proposals and provide a written reply, indicating the reasons for its decision.

- c) **Elections and Voting:** Each share of the capital stock confers the right to one (1) vote during the Shareholders' Assembly, except for those that, due to their nature of preferential dividend shares without the right to vote, do not confer such right.

With the above reservation, one (1) share of capital confers the right to one (1) vote, without any restriction regarding the number of votes, except when the prohibitions and disqualifications set forth by law do not allow voting on certain issues.

The Board of Director members cannot vote for themselves, for their spouse, for their life partner or for their relatives up to the third degree of consanguinity, up to the



second degree of kinship through marriage or up to the first degree of kinship through adoption, to fill a paid Company position or job nor regarding setting the remuneration for the above persons.

Likewise, the Legal Representative may not appoint his or her spouse, life partner, relatives up to the third degree of consanguinity, up to the second degree of kinship through marriage or up to the first degree of kinship through adoption as Company employees. In such cases, Board of Director members are not considered Company employees.

The Board of Directors may not have a majority of persons linked through marriage, free marital union or through kinship in the degrees stated above. If a Board of Directors is elected and violates this provision, it may not act. The previous Board will continue and will immediately summon the Shareholders' Assembly for new Board elections.

All decisions shall be adopted by the absolute majority of votes corresponding to the shares represented at the meeting, except for the following:

The dividend payment will require the approval of a plural number of shareholders representing minimum seventy-eight percent (78%) of the shares represented at the meeting. If such a majority does not approve the distribution, such distribution must be at least fifty percent (50%) of the net profits or of the remainder of the net profits after recouping the losses from prior fiscal periods.

The approval of the allocation of shares that are not subject to shareholders' preferential rights will require a favorable vote of at least seventy percent (70%) of the shares represented, without prejudice to the Boards' power to approve such shares if they are to be allocated for a special strategy or to compensate capital contributions in kind or for specifically determined persons or a group of underwriters;

The mandatory payment to shareholders of dividends in shares of the Company requires the favorable vote of at least eighty percent (80%) of the shares represented in the meeting.

All other requirements that by virtue of legal or statutory provisions demand a special majority or a qualifying majority.

d) Operating Rules

- **Composition**



The Shareholders' Assembly will comprise the shareholders who are registered in the Shares Registry Book and who are holders of capital shares with the right to vote, acting personally or through a legal representative or another person to whom they have granted a written power of attorney. A Shareholders' Assembly may proceed when the quorum has been established under the conditions provided for in the Bylaws, or through meetings—verbal or in writing—in which physical presence is not required, in each case pursuant to legal requirements.

- **Performance**

- The Shareholders' Assembly, may be held through ordinary or extraordinary meetings. The summons for either type of meeting will be made through an advertisement published in one or more Colombian local newspapers, or by a personal summons to each of the shareholders, through a letter sent to each shareholder's address as registered with the Company. Such summons, along with the information considered necessary for the Assembly meeting, will be published on the Company website and/or through other electronic means at the Company's disposal.
- Within five (5) calendar days following the publication of the notice, shareholders may propose the introduction of one or more points to be discussed in the Agenda of the Shareholder's Assembly or new Proposals for Agreement regarding matters already included in this Agenda. The request for new points or the Proposals for Agreement must be accompanied by the respective justification.
- Having exhausted the term above, the Board shall accept or reject the request and respond to the shareholders in writing, explaining the reasons for its decision. If the request is rejected, shareholders will be informed about the right to present their proposals during the Assembly. If the request is accepted, a supplement to the summons will be published on the Company Webpage, at least fifteen (15) calendar days before the meeting, and also through the Website of the Office of the Financial Superintendence.
- In order to make it easier for the shareholders to make decisions in the Assembly meetings, the Company will place at their disposal, within the term set forth for the summons, at the Company domicile, all necessary documents pertaining to the topics to be discussed during the Assembly meeting. To do so, the Company will provide the shareholders with the meeting Order of the Day, expressly including the information related to a change in the business purpose or in the Company domicile,



the waiver to the preferred rights when issuing shares, early Company dissolution and segregation. The Order of the Day must list the topics to be discussed in a logical order so that the various topics will not be mixed up or confused, except for points which must be jointly discussed due to their relation to one another; this warning will be given during the Assembly meeting.

- The information provided must include the nomination of potential Board of Director members, when such positions are available. The shareholders must submit their nominations to the Company at least ten (10) business days prior to the Shareholders' Assembly in which the election of the Board of Directors is to be considered, attaching the following documents: (i) The written acceptance of each candidate to be including in the corresponding slate; and (ii) a compliance statement regarding the requirements of independence established by Law, statutory regulations and the Corporate Governance Code.
- Within five (5) calendar days following the publication of the summons, shareholders may make a written request, sent to the Investor Relations Department (whose contact information is on the Company Website), for information or clarifications related to items on the Agenda, the documents received or on public information provided by the Company.
- Having exhausted the term above, the Investor Relations Department shall accept or reject the request and respond to the shareholders in writing, explaining the reasons for its decision. The request may be refused if it is considered: i) unreasonable; ii) irrelevant to know the progress or the interests of the Company; iii) or if the information requested is confidential, including privileged information, trade secrets or ongoing operations whose successful completion for the Company substantially depends on the secret of its trading; and iv) other information the disclosure of which places its competitiveness in imminent and serious danger.
- When the response provided to a shareholder may put him or her at an advantage, the Company s
- shall ensure the access of said response to the other shareholders concomitantly, posting it in the Section related to the meeting of the Shareholders' Assembly on the Webpage.
- For meetings in which the fiscal period closing financial statements are to be examined or for those in which the shareholders must consider projects for a merger, a split or the bases for the transformation or voluntary cancelation, as the



case may be, of the shares registered in the Colombian National Registry of Securities and Issuers or on the Stock Market, an increase in authorized capital or a decrease in the paid-up capital, the Assembly members will be summoned at least thirty (30) business days before the date of the meeting. In all other cases, a summons of fifteen (15) calendar days prior to the date of the meeting will be sufficient. The date on which the summons is made and the date on which the meeting is scheduled will not count in calculating the terms mentioned above.

- The Shareholders' Assembly will hold an ordinary annual meeting, at the latest on March thirty-first (31). The date for the meeting will be set by the Board of Directors and, by order of the Board, the summons will be made by the Company's Chief Executive Officer. Should no ordinary meeting be summoned, the Assembly will meet of its own right on the first business day in April, at ten in the morning (10:00 A. M.) in the Administration offices at the Company domicile, and will proceed regardless of the number of shares represented.
- The Shareholders' Assembly may meet anywhere it pleases and validly deliberate and make decisions, even without a prior summons, provided that all of the registered shares are represented.
- There will be quorum for the ordinary or extraordinary Shareholders' Assembly that require physical presence, when at least one half plus one (50% + 1) of the registered shares are represented at the meeting.
- If a meeting cannot be held because there is no quorum, a new meeting will be summoned and such meeting will be held and will validly make decisions with one (1) or more shareholders, regardless of the number of registered shares represented. The new meeting must be held at least ten (10) business days and no more than thirty (30) business days after the original meeting was scheduled.
- The Company shares that have been reacquired will not, in any case, be calculated for the quorum, nor will they be entitled to any right of opinion in Assembly deliberations or voting.
- On its Website and/or via any other electronic means, the Company will air the Shareholders' Assembly meetings as they are being held, for the persons who cannot be present to follow the proceedings.
- The Chief Executive Officer of the Company, as well as the members of the Board, must attend the ordinary or extraordinary Shareholders' Assembly meetings to



resolve shareholder concerns that arise.

- **Functions of the Shareholders' Assembly**

1. Elect and remove freely the members of the Board of Director and the Fiscal Auditor;
2. Approve the general remuneration policy for the Board of Directors and in the case of Senior Management when it recognizes a viable component linked to the share value, as well as determine the remunerations of the members of the Board and the Fiscal Auditor.
3. Examine, approve, disapprove or modify the fiscal period financial statements and at first glance to close the accounts that the Board of Directors and the Company Chief Executive Officer must present yearly, or whenever the Shareholders' Assembly so demands;
4. Appoint a plural-number commission to study the accounts and financial statements submitted for its consideration when they are not approved, and report back to the Assembly in the term that it determines.
5. Consider the Board of Directors' and the Chief Executive Officer's management report on the state of the Company businesses; the Board of Directors' profit distribution proposal and other proposals that it makes, as well as the Fiscal Auditor's report and opinion on the financial statements and on the due correspondence between the financial statements and the Administrators' management report;
6. Dispose of the profits as set forth in accordance with the Balance Sheet, once approved, subject to legal provisions and to statutory regulations. While performing such function, it may create or increase voluntary or occasional reserves for specific allocation; and to set the amount of the dividends, their means and term of payment;
7. Arrange the transfer of or a change in use of the occasional or voluntary reserves, their distribution or capitalization, when such reserves are no longer necessary.
8. Appropriate profits destined for the reserve to acquire Company-issued shares, subject to the requirements established in current legislation.
9. In view of such appropriations, the Board of Directors is authorized to use the reserves in accordance with its purpose, provided that the shares it is trying to acquire



are fully paid and the rules applicable to trading shares in the stock market are observed.

10. Arrange, by the qualified majority foreseen in Article 32 of the Bylaws, that said issuance or number of capital shares be placed without preference for shareholders.
11. Create industry or work shares and issue the respective regulations; arrange the issuance of the shares referred to in Article 11 of the Bylaws, determine the nature and extension of the privileges or prerogatives of an economic nature that correspond to the privileged shares, decrease them or eliminate them, subject to statutory regulations and legal provisions; and respect the shares with a preferential dividend and with no right to vote, arrange for their issuance and approve the corresponding regulation for subscription or delegate their regulations to the Board of Directors.
12. Order and regulate the issuance of bonds or delegate the approval of the bond prospectus to the Board of Directors, as determined by the Assembly, pursuant to law;
13. Agree to the Company's merger, scission, segregation (improper scission), transformation, early dissolution or extension; the Company's sale or lease or all of its assets. The improper scission may only be analyzed and approved by the Shareholders' Assembly when the point has been expressly included in the summons for the respective meeting.
14. Approve the reforms to the Bylaws. For this case, it is necessary that the Assembly vote separately on the articles or groups of articles that are substantially independent and separately article by article if any shareholder or group of shareholders, representing at least five percent (5%) of the social capital, so request it during the Assembly, a right that has been previously disclosed to the shareholders.
15. Order the corresponding legal actions against Administrators, chief officers or the Fiscal Auditor;
16. Designate, in the event that the Company decides to dissolve, one (1) or more liquidators and an alternate for each of them; remove them, set their remuneration and give them the orders and instructions that the settlement requires, and approve their accounts. While no liquidator or alternate is appointed, the person who is the Company's Chief Executive Officer at the time it enters into liquidation will perform the duties of liquidator, and his or her alternates who on that date are the Chief Executive Officer's alternates, in their order.



17. Adopt, in general, all measures that require compliance with the Bylaws and the common interests of shareholders.
18. Approve the Board of Directors' Succession Policy.
19. Approve the significant operations with economically bound companies, except in the case of non-material operations in the ordinary course of the Company and which are carried out at generally established market rates by the person supplying the goods or services.
20. All other functions pursuant to law or to the Bylaws and those that do not correspond to any other corporate body.

The Assembly of Shareholders may delegate to the Board of Directors or to the Chief Executive Officer, in specific cases, one or more of its functions provided that, by nature, it may be delegated and the delegation is not prohibited. In no case may the functions established in the preceding Points 2 and 13 be delegated.

Everything that occurs in the Shareholder's Assembly meetings shall be recorded in a Book of Minutes registered with the Chamber of Commerce of the main domicile.

e) Representation at Assembly Meetings:

All shareholders may be represented through a written power of attorney, not solely for the purpose of deliberation and voting in a Shareholders' Assembly but also for collecting their dividends or for any other purpose.

Legal Representatives, Administrators and employees will abstain from propitiating or allowing the following practices:

- Encouraging, promoting or suggesting that the Shareholders grant powers of attorney without clearly defining the name of the proxy.
- Receiving powers of attorney in which the name of the shareholder granting the power of attorney is not clearly defined.
- Accepting as valid the powers of attorney granted by shareholders who do not meet the legal requirements for participating in the Shareholders' Assembly meetings.
- Suggesting or determining the names of those who will act as representatives at the Shareholders' Assembly meetings.
- Recommending shareholders to vote for certain slates of candidates.



- Suggesting to, coordinating or agreeing with any shareholder or with any shareholder's representative, to present proposals to be submitted at the meetings for the Assembly's consideration.
- Suggesting to, coordinating or agreeing with any shareholder or with any shareholder's representative, to vote for or against any proposal presented to the Assembly.
- Having another party carry out any of the actions described in this section, on one's behalf.

Notwithstanding the foregoing, the legal representatives, Administrators and employees may exercise the political rights inherent in their own shares or those for whom they represent when acting as legal representatives.

Aimed at guaranteeing the effectiveness of these provisions, such Representatives, Administrators and other Company officers must take the following corrective measures and remedies:

- Return to the person granting the power of attorney, any power of attorney that violates the provisions mentioned above.
- Inform shareholders that powers of attorney may not be granted to persons with direct or indirect ties to the Administrators or to Company employees.
- Not to receive special powers of attorney before the issuance of the summons in which the topics to be discussed in the respective meeting are revealed.
- Take the necessary measures for employees and officers to treat all shareholders in a neutral manner.
- Before Shareholders' Assembly meetings, take all appropriate and sufficient measures to guarantee the shareholders' effective participation in such meetings as well as the exercise of their political rights.

Shares cannot be divided; therefore, if, for any legal or conventional reason a share belongs to several persons, such persons must appoint one sole, common representative to exercise the shareholders' rights thereon. Should the shareholders not reach an agreement on appointing their representative, any interested party may request that a competent judge in the jurisdiction of the Company domicile appoint a representative for such shares.

At Shareholders' Assembly meetings, representation and the right to vote cannot be divided, so the representative or proxy cannot split the vote of the party that it represents who has granted the power of attorney. That means that the representative or proxy is not allowed to vote with one group of shares that he or she is representing in a certain manner or for certain persons and with another share or group of shares that he or she is representing in a different manner or for other persons. Such indivisibility does not oppose,



however, the representative or proxy of several individuals or legal corporate entities, or of several individuals or groups of individuals, voting, in each case, separately following the instructions of every individual or group that it represents or who has granted it a power of attorney, but, at any rate, without splitting the votes corresponding to the shares of one same person.

When an illiquid succession has Company shares, the shareholder's rights will correspond to the executor holding the estate. Should there be more than one (1) executor; the executors will appoint one (1) sole representative, unless one of them has a court authorization to be the representative. If there is no executor, the acknowledged successors will elect a representative by a majority of votes.

While performing their jobs, the Legal Representative, the Board of Director members, and the Company employees cannot receive powers of attorney to represent another person's shares at the Shareholders' Assembly meetings, nor can they remit any powers of attorney granted to them. Such prohibition does not apply in the case of legal representation. None of the above persons can vote, even with their own shares, to approve financial statements, fiscal period closing accounts or settlement accounts.

CHAPTER II – DISCLOSURE OF GOVERNANCE MECHANISMS

ARTICLE 9 – THE BOARD OF DIRECTORS

a) General Rules

In addition to the provisions set forth by law and in the Bylaws regarding the composition, functions, responsibilities, and Independence of the Board of Directors, elections are governed by the criteria of the representation of different shareholder groups and by transparency; to guarantee such criteria, there is a procedure for public, open elections in which the system of the electoral quotient is used.

The Company ensures the broadest participation of all shareholders in their proposals and consideration of candidate slates, in such a manner that the selection process for the Board of Director members guarantees that their profile adjusts to the Board needs.

b) Election

The Shareholders' Assembly may take into account the aspects below, among others, to elect Board of Director members.



- The Board cannot have any majority whatsoever of persons bound by marriage, a common-law marriage, or kinship up to the third degree of consanguinity, up to the second degree of kinship through marriage or up to the first degree of kinship through adoption.
- A number of persons who work for the Company and who, when gathered in a meeting and using their powers as Board of Director members, can form among themselves decision-making majorities, for general or special decisions, cannot be Advisors, pursuant to law and to the Company Bylaws.
- The Advisors will meet the requirements for professional background, academic background, and experience, which enable them to properly perform their duties and they shall fully comply with the requirements established in this Corporate Governance Code to be Board of Director members, taking into account the disqualifications and incompatibilities defined here.

In order to ensure that the profile of candidates proposed by shareholders to be members of the Board of Directors comply with the requirements established in this Corporate Governance Code and that, indeed, the people who present themselves as independent members comply with the conditions for such a position, shareholders must submit their proposals at least ten (10) business days before the meeting of the Shareholders' Assembly in which they will be elected, enclosing the following documents: **(i)** The written acceptance of each candidate to be included in the corresponding slate; and **(ii)** A written communication from the independent candidates stating that they meet the requirements of independence established by Law, the Bylaws and the Corporate Governance Code.

The Appointment and Retribution Committee will evaluate each one of the proposals presented and will issue a concept on the proposal. This concept and the full information on the candidates will be published on the Company Webpage five (5) business days prior to the Shareholders' Assembly meeting in which the corresponding election is to take place.

- A member or candidate will be considered as being independent when:
 - (i) Said member or candidate is not an employee or chief officer of the Company or of any of its subsidiaries, including individuals who were so during the year immediately preceding the appointment, unless they are independent individuals being reelected;



- (ii) Said member or candidate is not a shareholder that either directly or by virtue or an agreement manages, orients or controls the majority of votes of the Company, its Parent Company or subsidiaries or who determines the majority composition of the Company's administration, management or control thereof;
- (iii) Said member or candidate or his or her Personal Relatives (spouses, relatives up to the third degree of consanguinity, up to the second degree of kinship through marriage or up to the first degree of kinship through adoption) or the companies where the member or candidate or his or her Personal Relatives are majority shareholders are not members or employees of associations or companies that provide consulting or advisory services to the Company or the companies that belong to the *Grupo Empresarial*, when revenues for this concept represent, for these persons, twenty percent (20%) or more of their operating revenues.
- (iv) Said member or candidate or his or her Personal Relatives are not employees or directors of a foundation, association or company that receives important donations from the Company or its subordinated companies; that is, those that represent more than twenty percent (20%) of the total donations received by the respective institution;
- (v) Said member or candidate is not an administrator of an entity on whose Board of Directors a Legal Representative of the Company or its subordinated companies participates;
- (vi) Said member or candidate does not receive from the Company any remuneration other than their fees as a member of the Board of Directors, or of any Board of Director Committee.
- (vii) Said member or candidate or his or her Personal Relatives or the companies in which he or she or his or her Personal Relatives are majority parties, are not partners or employees of the firm that occupies the position of Fiscal Auditor or as an Internal Auditor of the Company or its subordinated companies, or in any of them during the last three (3) years.
- (viii) Said member or candidate or his or her Personal Relatives are not employees of a company in which any of the Company Administrators are a member or have been a member of the Appointment and Retributions Committee of the company in which the Director or his or her Personal Relatives have been employees during the last three (3) years.

c) Composition

The Board of Directors is made up of seven (7) members or Advisors appointed by the Shareholders' Assembly for periods of one (1) year but who may be indefinitely reelected and freely removed by the Assembly at any time pursuant to law and to the Bylaws.



Of the seven (7) members, at least three (3) will be independent pursuant to law; this situation will be verified and reported to the Shareholders' Assembly by the individual presiding the meeting in which the appointment must be made.

The Chief Executive Officer may be or may not be a member of the Board of Directors but, if not a member, must attend all Board meetings; he or she is entitled to voice his or her opinion but is not entitled to vote and will receive no special remuneration for attending the meetings. Also, any executive may be a member of the Board of Directors, but shall receive no special remuneration for this position.

Members may be classified thus:

- **Executive Member:** The legal representatives or Senior Management who participate in the day-to-day management of the Company. In no case may there be more than one (1) Executive Member on the Board of Directors.
- **Independent Member:** Those who meet the requirements of independence established by Law, the Bylaws and this Corporate Governance Code.
- **Equity Member:** Those who are not independent members and who are legal or natural shareholders, or persons expressly nominated by a legal or natural shareholder or a group of shareholders, to be a member of the Board of Directors.

Notwithstanding this classification, once elected all members of the Board of Directors shall act on behalf of the Company.

d) Remuneration

For purposes of remuneration and any other economic benefit granted to the members of the Board of Director, the general policy will be to follow market guidelines and effectively consider the usual remuneration for this kind of positions in comparable companies, which will be set by the Shareholders' Assembly.

e) Operating Rules

- **Qualities**

The Company's Board of Directors will be made up of seven (7) members who will have no labor ties with the Company.



• Requirements

To be a member of the Board of Directors, the applicant must:

- Have a professional title and have high level studies in academic areas germane to the position as a member of the Company's Board of Directors;
- Have at least ten (10) years of experience related to economics in general or in high-level public positions or chief officer positions in medium-sized or large companies or in academic activities of research or teaching in such fields;
- Be well known for his or her honesty, straightforwardness, and good reputation while filling the public or private positions.
- Have analytical and managerial skills, ability to evaluate top-management charts, knowledge of the industry, corporate governance, international experience and crisis management.

• Principles regarding the Behavior of Board of Director members

The principles below will govern the behavior and actions of the members of the Board of Director, aimed at enabling the Board to act in an objective, straightforward, efficient and autonomous manner.

- **Objectivity and Independence:** Each member of the Board of Director represents the interest of the Company; his or her decisions shall be impartial and they shall not seek the benefit of one (1) or more shareholders in particular.
- **Good Faith:** The Board members will perform their duties in a straightforward, honest manner, with due diligence and care.
- **Fairness:** The decisions made by the Board of Directors must benefit all Company shareholders under equal conditions.
- **Legality:** While performing their duties, the Board members will ensure compliance with the law, the Bylaws, the Code of Corporate Governance and the other Company regulations.
- **Impartiality:** The members of the Board of Directors will always loyally attend the general interest of the companies that comprise the *Grupo Empresarial* leaving



aside their personal, professional or trade interests.

- **Disqualifications**

The following persons may not be Board of Director members:

- Individuals who have been sentenced by a court and deprived of their liberty, except in the case of intentional crimes.

- **Incompatibility**

While performing their duties, Board of Director members may not:

- Have a relation to provide services for, be an advisor, or have a direct or indirect interest in a company (or in its Parent Company or in a subordinate company thereof) that carries out business activities that compete against any of the businesses of the *Grupo Empresarial* or a company that belongs to any groups of companies that have investments in sectors that represent competition for any of the companies of *Grupo Empresarial*, or companies in which said groups have investments.
- Carry out activities that in some manner hinder them from performing their duties according to the principles set forth in this regulation.

- **Obligations**

- According to the principles set forth in these regulations, perform the duties proper to the position set forth by law, the Company Bylaws, the Code of Corporate Governance, and other applicable rules and regulations.
- Keep the information and documentation to which they have access while performing their duties strictly confidential, refrain from using it for their own gain or for third-party gain, mainly the information and documentation directly or indirectly related to the strategic plans of *Grupo Empresarial*, its Parent Company and its subordinate companies, even after they have ceased to perform their duties as members of the Board of Director.
- Attend the Board and Committee meetings to which they belong upon summons and participate in them according to the principles set forth herein.



- Loyally respect and defend the interests of the *Grupo Empresarial*.
- Avoid situations that represent a conflict of interests or those that generally affect the performance of their duties with the Company, whether such situations are personal, business or family oriented.
- Inform the Company of any situation that may represent a conflict of interest with the Company or its subordinate companies and abstain from attending, intervening in, and voting on the deliberations regarding such matter.

• **Rights**

- Receive the remuneration set by the Shareholders' Assembly.
- Receive on a timely basis the information and documentation needed to perform their duties in an informed, responsible manner, except for affairs that are confidential, pursuant to law, the Code of Corporate Governance or the Bylaws.
- When a member of the Board of Directors is elected for the first time, sufficient information for him or her to have specific knowledge about the Company and the sector in which the Company operates will be available, as well as information related to the responsibilities, obligations, and attributions derived from the position.
- Have the support of internal or external experts when necessary.

• **Prohibitions**

- Not perform the duties proper to the position or those stipulated by law, in the Bylaws or in the Code of Corporate Governance.
- Act against the principles set forth herein.
- Conceal information or facts that reveal a situation of incompatibility, disqualification or conflict of interests, whether regarding the Board of Director members or third parties.
- Give information on or permit access by third parties to documents that contain confidential information regarding any *Grupo Empresarial* company.



- Use corporate assets for personal purposes or to benefit third parties.

- **Functioning**

The Board will meet at least once a month and when summoned by the Board itself, by the Company Chief Executive Officer, by the Fiscal Auditor or by two (2) board members acting as principal members. The members of the Board must attend at least 75% of the meetings held during the year.

- The Board will have the power to deliberate when four (4) of its members are present. Decisions will be made with a favorable vote of the majority of those present, except when the Bylaws or legal rules and regulations demand a special majority.
- In the event of a tie when voting upon propositions or resolutions, such propositions or resolutions will be understood as rejected. If the tie should occur regarding an appointment, the applicants who have obtained the same number of votes will immediately be rejected and the Board will proceed to ask for the postulation of a new applicant.
- The Board of Directors will elect a Chairman from among its members, who must be an independent member. The Chairman of the Board will have the following functions:
 - ✓ Ensure that the Board of Directors established and efficiently implements the strategic management of the Company.
 - ✓ Encourage the governance action of the Company, acting as a liaison between the shareholders and the Board of Directors.
 - ✓ Coordinate and plan the operation of the Board of Directors through the establishment of an annual work plan to be approved by the Board and establish the strategic topics to be dealt with throughout the year in an orderly manner and facilitate the determination of a reasonable number of regular meetings and their estimated duration. The plan must provide at least one (1) meeting that will monitor the strategic plan of the Company.
 - ✓ Convene ordinary meetings directly or through the Secretary of the Board, and extraordinary meetings when deemed necessary.
 - ✓ Prepare the Agenda of the meetings, in coordination with the Company's Chief Executive Officer, the Secretary of the Board and other members, using a structure to follow a logical order to present issues and debates.
 - ✓ Ensure the timely delivery of information to members of the Board of Directors, directly or through the Secretary of the Board.



- ✓ Preside over the meetings and manage discussions.
 - ✓ Ensure the implementation of the agreements of the Board of Directors and monitor their orders and decisions.
 - ✓ Monitor the active participation of the members of the Board.
 - ✓ Lead the annual evaluation process of the Board and its Committees, except its own evaluation.
 - ✓ Attend the Boards' support committees when deemed appropriate.
 - ✓ Advise the Company Chief Executive Officer when so requested.
 - ✓ Serve as representative of the independent members of the Board of Directors.
 - ✓ Convene independent members to meet at least twice (2) a year. The Company Chief Executive Officer will attend one (1) of these meetings, and the topics dealt with will be recorded in minutes.
 - ✓ Prior to the meeting of the Shareholders' Assembly, and with the support of the Appointment and Remuneration Committee, coordinate the process to conform the Board of Directors, pursuant to the election procedures established in the Bylaws and the Corporate Governance Code.
-
- In the cases and pursuant to the requirements set forth by law, Board deliberations and decisions may be made through simultaneous or successive communication among its members, verbally by telephone or using any other form that is proper for transmitting and receiving audible messages or visual images, such as e-mail, provided that proof or certification of such communication is kept.
 - Also, valid decisions may be made using written distance vote by all its current members, whether they be made in one document or in separate documents, clearly stating how each member has voted, providing that—under penalty of ineffective decisions—the document or documents are received by the Company's Legal Representative in a maximum term of one (1) month after the date of the first communication received.
 - All meetings in which physical presence is required will be documented in minutes that will be kept in a Minutes Ledger registered at the Chamber of Commerce in the city where the company domicile is located, pursuant to law and to the Bylaws; said minutes will be signed by the Advisors who attended the meeting described in the minutes, as well as by the Legal Representative and the Company Secretary. Minutes of meetings in which physical presence is not required must be prepared and recorded in the corresponding Minutes Ledger within the thirty (30) days after the date on which an agreement is reached and will be signed by the Legal Representative and by the Company Secretary.
 - For the proper performance of the duties of the Board of Director members, the



Company Chief Executive Officer will make known, at least five (5) days prior to the meeting, the information relevant to decision making, either physically or electronically, according to the Agenda contained in the summons. Such information shall rest in the offices of the Company Chief Executive Officer.

- Without prejudice to the provisions set forth in Article 2 herein, the Advisors must inform the Board of Directors of the direct or indirect relations that they have with one another or with the Company or with suppliers, clients or any other stakeholder, from which situations of conflict of interest may be derived or situations that may influence their opinion or vote.
- The management and performance of the Board of Directors and its Committees will be evaluated as follows:
 - ✓ Annually, through a self-evaluation process, the results of which will be analyzed by the Corporate Governance and Board Issues Committee; and
 - ✓ Through an external evaluation conducted by an independent firm, with the frequency determined by the Board. A summary of the result of said evaluation will be published on the Company Webpage and will be taken into account by the Board of Directors to implement improvement plans.
- Upon request by any of its members, the Board of Directors may contract an external advisor to contribute elements of judgment needed to make certain decisions, under the following conditions:
 - ✓ The topic for which the advisor is sought is unknown to all of the Board members and the Company does not have an officer or advisor who is versed in the matter.
 - ✓ The external advisor has the professional background and experience needed to handle the matter.
 - ✓ The advisor must commit to keeping the topics on which he/she/it was consulted confidential as well as the information that was delivered and the result of the assessment.

The remuneration of the external advisors contracted will be determined according to the market parameters and the responsibilities assumed, for which the Company will allocate an item in its annual budget for such type of contracting.

- The Board of Directors will have the following Support Committees, to assist it in its management. The functions of the different committees are indicated in Article 10 herein:
 - ✓ Finance, Audit and Risk Committee



- ✓ Appointment and Retributions Committee
- ✓ Corporate Governance and Board Issues Committee
- ✓ Strategic Planning Committee

f) Functions

It is understood that the broadest mandate is delegated to the Board of Directors for it to manage the administration of the Company; therefore, it will have sufficient attributions to order the execution of or the celebration of any act or contract to be entered into if such act or contract is included in the business purpose, as well as to make the necessary decisions for the Company to meet its business purpose, and it will especially have the following:

1. Periodically control the performance of the Company and the ordinary course of business.
2. Appoint and remove the Company Chief Executive Officer, Vice Presidents, Secretary and the legal representatives for judicial, administrative and police matters; establish their remuneration; approve the retribution system and the compensation clauses; and evaluate their performance, when deemed necessary.
3. Create the positions deemed necessary for the Company to run properly, define their functions, attributions and remuneration; appoint and remove the persons for the positions.
4. Set the date for the ordinary meeting of the Shareholder's Assembly, within the period stated in the Bylaws and, pursuant to the provisions therein, set dates for summoning extraordinary meetings of the Shareholders' Assembly. In the event that a meeting is requested by the shareholders, the summons will be made within fifteen (15) business days following the date on which the corresponding written request is received.
5. Make available to the Shareholders' Assembly, at least fifteen (15) days prior to the meeting, the Proposals for Agreement for each one of the points of the Agenda of the meeting. These Proposals for Agreement shall contain the literal description of the question that the Board of Directors puts to a vote by the shareholders and may include a suggestion on how to vote.
6. Regulate the placement of shares in reserve in the cases in which this is to be done according to the Bylaws or when the respective delegation has been received in the case of shares, the issuance of which must be ordered or authorized by the Shareholders' Assembly.



7. Consider the trial balances and the financial statements for intermediate fiscal periods, as demanded by the authorities that inspect, oversee, and control the Company.
8. Analyze and give a preliminary approval to the fiscal period closing financial statements, prescribed by law, both the individual financial statements as well as the consolidated financial statements, as the case may be, which must be submitted for approval by the Shareholders' Assembly. Likewise, with the Company's Chief Executive Officer, agree upon the terms of the management report, approve the Annual and Sustainability Report and the profit–distribution project or for the payment of losses to be submitted to the consideration of the Shareholders' Assembly during its annual ordinary meeting, along with all additional financial and statistical information as required by law, accompanied by the Fiscal Auditor's report and opinion. Furthermore, because the Company is part of a business group, prepare a special report stating, pursuant to law, the intensity of the existing economic relations among the companies that comprise the *Grupo Empresarial*
9. Determine the investment that must be made for the appropriations that, having the nature of special funds or investment reserves, which the Shareholders' Assembly has made available.
10. Regulate the placement of bonds and securities based on the terms determined by the Shareholders' Assembly, pursuant to law.
11. Authorize the opening or closing of branches or agencies.
12. Initiate negotiations regarding a scission, merger, sale or lease of the Company or the totality of its assets and submit the agreements reached for the approval of the Shareholders' Assembly.
13. Approve the investments, divestments or operations of all kinds which, due to their amount or characteristics, may be classified as strategic or that affect the strategic assets or liabilities of the Company.
14. Grant authorizations to the Chief Executive Officer, and to the other Administrators, in the cases and with the requirements demanded by law, to conduct operations related to Company stock.
15. Examine, when deemed convenient, the Company ledgers, documents, assets and offices either personally or through one (1) or more commissioned persons that it appoints.



16. Execute the decisions that the Shareholders' Assembly makes, pursuant to law, as well as its own agreements, and ensure compliance with the provisions in the Bylaws.
17. Decide if filing for bankruptcy must be solicited, pursuant to law.
18. Adopt the Corporate Governance Code, approve all necessary modifications, and ensure effective compliance hereof.
19. Consider and respond in writing to claims submitted by shareholders or investors who consider that their rights have been infringed due to noncompliance of some provision contained in the Corporate Governance Code and, if necessary, order the respective employee to immediately obey said rules.
20. Guarantee fair, equal treatment to all shareholders and investors in the securities issued by the Company and guarantee that each of them obtains a timely, complete response to his or her concerns, as submitted, regarding matters that are mandatory to disclose or that are not prohibited by legal provision or by contracts with confidentiality agreements, as well as the timely payment of dividends and yields, pursuant to the decisions made by the Shareholders' Assembly
21. Study and respond in writing to all proposals formulated by a plural number of shareholders who represent at least five percent (5%) of the paid-up shares.
22. Integrate an Appointment and Retributions Committee, one function of which will be support the Board of Directors in adopting policies and systems for remuneration, establishing management goals, and conducting a performance assessment of chief officers and executives.
23. Form a Finance, Audit and Risk Committee
24. Integrate the Board of Directors' Corporate Governance and Board Issues Committee and the Strategic Planning Committee, as well as the support committees deemed necessary for the performance of duties.
25. Approve the internal regulations of operation for the Boards' support committees.
26. Establish the procedure for empowering shareholders and investors in Company-issued securities to conduct specialized audits, at their own cost and under their own responsibility.



27. Approve and conduct periodic monitoring of the strategic plan, the business plan, the management objectives and the annual budgets of the Company, and adopt the corrective measures aimed at guiding the management of the administration to the fulfillment of these plans and objectives.
28. Declare donations for education or charitable organizations, for civic purposes or to benefit Company personnel.
29. Define the governance structure and model of the Company and of *Grupo Empresarial*.
30. Approve the financial and investment guidelines or policies of the Company and of *Grupo Empresarial*.
31. Approve the Information and Communication Policy with the different types of shareholders, markets, stakeholders and the general public; this policy will be part of this Corporate Governance Code as one of its attachments.
32. Approve the Risk Policy, learn and conduct monitoring of the Company's principal risks, including those assumed in the off-balance-sheet operations. This policy will be part of this Corporate Governance Code as one of its attachments.
33. Approve, implement and monitor the internal control systems, including operation with off-shore companies, pursuant to the procedures, risk-control and alarm systems that have been approved by the Board itself.
34. Approve the Senior Management Succession Policy, which will be part of this Corporate Governance Code as one of its attachments.
35. Present the Board of Directors' Succession Policy, to the Shareholders' Assembly for its approval; this policy will be part of this Corporate Governance Code as one of its attachments.
36. Present the Remuneration Policy for the Board of Directors to the Shareholders' Assembly for its approval; this policy will be part of this Corporate Governance Code as one of its attachments.
37. Approve the Anonymous Complaint Policy, which is included in this Corporate Governance Code.



38. Present the Policy for Share Repurchase to the Shareholders' Assembly for its approval; this policy will be part of this Corporate Governance Code as one of its attachments.
39. Approve the other policies deemed necessary, and, if appropriate, present them to the Shareholders' Assembly for their approval.
40. After the analysis of his or her experience and availability of time and human and technical resources to develop the work, present the proposal for the election of the Fiscal Auditor to the Shareholders' Assembly.
41. Approve the creation or acquisition of shares in special-purpose entities or those domiciled in countries or territories that are considered tax havens, as well transactions or operations of a similar nature.
42. Learn about and manage conflicts of interest between shareholders and the Company, members of the Board of Directors and Senior Management.
43. Know and, in the event of a material impact, approve the operations that the Company conducts with controlling or significant shareholders¹; with members of the Board of Directors and other Directors or with persons related to them (Operations with Related Parties), as well as with companies in the same business group.
44. Organize the annual evaluation process of the Board of Directors, as a collegiate body and its members individually, in accordance with the generally accepted self-assessment methodologies or an evaluation that may consider the participation of external consultants.
45. Act as liaison between the Company and its shareholders, creating suitable mechanisms to provide accurate, timely information on the progress of the Company.
46. Oversee the integrity and reliability of the internal accounting and information systems based on, among others, the internal-auditing reports and those of the legal representatives.
47. Oversee the financial and non-financial information, which, due to its condition as an issuer and in the framework of the information and communication policies, the Company must make public periodically.

¹ Shareholders who alone or by agreement with other shareholders, hold voting rights of more than ten percent (10%) of the total voting rights, and whose participation has a stable purpose.



48. Oversee the independence and efficiency of the internal audit of the Company.
49. Monitor the efficiency of the corporate governance practices implemented and the level of compliance with the ethical and behavior standards adopted by the Company.
50. Ensure that the process of proposing and electing members of the Board of Directors is carried out in accordance with the formalities prescribed by the Company.
51. Serve as consulting body to the Chief Executive Officer and, generally speaking, perform all other functions conferred upon it in the Bylaws..

The Board of Directors may delegate one or more of the functions listed above to the Chief Executive Officer, when it so deems convenient, for special cases or for a limited time, one or more of the functions indicated, provided that they may be delegated. Under no circumstances may the functions established in Points 1, 2, 6, 9, 13, 24, 26 and between Points 28 and 51 be delegated.

The functions of the Board of Directors shall be met with a business–group focus and developed through general policies, guidelines or requests for information that respect the balance between the interests of the Parent Company and the subsidiaries, and *Grupo Empresarial* as a whole.

ARTICLE 10 – BOARD OF DIRECTORS SUPPORT COMMITTEES

The Board of Directors has planning and finance functions, enabling it to establish the Company’s strategic vision; it has functions to identify risks and establish policy to mitigate them; and it has the function of establishing and modifying Company accounting policies, pursuant to law.

To fulfill its functions, the Board of Directors will rely the following Committees, which will be integrated taking into account the profiles, professional knowledge and experience of the members in relation to the subject matter of the Committee, allowing the members to make rigorous pronouncements on matters within its competence:

a. The Finance, Audit and Risk Committee

The Board of Directors will form a Finance, Audit and Risk Committee with at least four (4) of its members. All the independent members of the Board must be members of this Committee, and one of them shall be its Chairman. In light of the foregoing, the Committee



could be composed of up to seven (7) members, if all of the members of the Board were independents.

The Committee will usually meet every three (3) months and may meet extraordinarily when deemed necessary or upon a notice by the Manager of Internal Auditing to discuss relevant issues; it may also meet in private if the circumstances require this. The Fiscal Auditor and the Manager of Internal Auditing will attend the meetings; they will have the right to state their opinion but not the right to vote. The decisions made by a simple majority vote will be recorded in Committee meeting minutes. Its functions will be to:

1. Assist the Board of Directors in its supervisory function through the evaluation of the accounting procedures and the relationship with the Fiscal Auditor.
2. Review the Control Architecture of the Company² including the auditing of the risk–management system implemented by the Company and ensure its effectiveness. To do this, it will have the support of the *Grupo Empresarial* Internal Auditing and the Fiscal Auditor.
3. Inform the Shareholders' Assembly on questions raised by shareholders regarding its powers.
4. Inform the Shareholder's Assembly, at the request of its President, on specific aspects of work done by the Committee.
5. Propose to the Board of Directors, for submission to the Shareholders' Assembly, the candidates for the appointment as Fiscal Auditor and the conditions of his or her hiring, and, where appropriate, the revocation or non–renewal thereof, using for this purpose the result of the evaluation referred to in the following point.
6. Oversee the services of the Fiscal Auditor, including evaluating the quality and effectiveness thereof.
7. Interact and have regular relations with the Fiscal Auditor, and especially to assess and inform the Board of Directors of all those situations that could limit his access to information or put his independence at risk and any others related to the auditing plan

² A comprehensive concept encompassing everything related to the control, risk–management, internal–control, information and communication and surveillance systems. It allows the Company to have a structure, policies and procedures exercised throughout the Organization (from the Board of Directors and Senior Management to its employees), to provide reasonable assurance regarding the achievement of Company objectives.



and the development of the financial auditing, as well as those other communications foreseen in the financial–auditing legislation and in the technical auditing regulations.

8. Receive the final report from the Fiscal Auditor and study the financial statements in order to submit them to consideration of the Board of Directors, without jeopardizing the functions legally attributed to the Fiscal Auditor and Senior Management, and in the event of there being unfavorable qualifications or opinions, issue a decision on its content and scope, which shall be made known to shareholders and the market public by the Company Chief Executive Officer through the Company’s Webpage, as well as verify that Senior Management takes into consideration the Fiscal Auditor’s recommendations and, if appropriate, lead the process to respond to the observations included in his report.

When, in the event of qualifications or paragraphs of emphasis by the Fiscal Auditor, the Board of Directors considers that its criterion must prevail, this position shall be explained and justified through a written report to the Shareholders’ Assembly.

9. Ensure that the accounting criteria are adequately applied at all times in elaborating the Financial Statements that the Board of Directors presents to the Shareholders’ Assembly, and in the preparation of the reliable internal information for decision making.
10. Know and evaluate the process to prepare, present and disclose the financial information.
11. Monitor the efficiency of the function regulatory and Money Laundering and the Financing of Terrorism (ML/FT) compliance.
12. Verify that the regular information that is offered to the market is prepared in accordance with the same professional principles and practices as the annual accounts, overseeing such information prior to its dissemination.
13. Propose the structure, procedures and methodologies necessary for the operation of the internal–control system to the Board of Directors.
14. Know and evaluate the Company’s internal–control system.
15. Oversee and periodically report to the Board of Directors on the effective application of the Company’s Risk Policy, the principal financial and non–financial risks, in the balance sheet and off the balance sheet are identified, managed and made known properly.



16. Oversee the internal auditing services and report to the Board of Directors.
17. Review and approve the Internal Auditing Statutes of the Company.
18. Propose the selection, appointment, retribution, re-election and removal of the person responsible for the internal auditing service to the Board of Directors. His or her removal or resignation shall be communicated to the market through the Company's Webpage.
19. Analyze and approve the internal audit Annual Work Plan and the annual report of activities. This implies a formal analysis of the coverage of the auditing universe to determine if the resources (human, financial, IT, etc.) are appropriate for the implementation of the annual plan within the criticality of the auditable units. Each semester or more frequently, if so required, the progress in the implementation and modifications, if necessary, to the work plan will be presented. In addition, the annual report of activities of Internal Auditing will be analyzed and approved.
20. Ensure the independence and effectiveness of Internal Auditing; receive regular information on its activities, including reports on any situation of risk tolerance that is unacceptable for the Organization; and verify that Senior Management takes into account its conclusions and recommendations.
21. Review compliance of the actions and measures that result from the reports or inspection activities of the supervision and control authorities.
22. Evaluate the temporary or permanent situations of conflict of interest, in which a Significant Shareholder, members of the Board of Directors and Senior Management could be directly or indirectly immersed or through a Related Party and to report them to the Board, making the proposals necessary to administer the situation.
23. Evaluate and report to the Company's Board of Directors on the possible conflicts of interest that could arise between the Company and its subsidiaries or among the subsidiaries, or with its Administrators and Related Parties, making the proposals necessary to administer the situation.
24. Examine and report to the Board of Directors on the operations that the Company directly or indirectly conducts with members of the Board, Controlling and Significant Shareholders, members of Senior Management, operations among *Grupo Empresarial* companies or persons related thereto, which, because of their amount, nature or conditions, are a risk for the Company or *Grupo Empresarial*.



25. Regularly monitor the degree of compliance of the Rules of Conduct for Directors and Employees established in this Code, and the effectiveness of the anonymous complaint system, evaluating unethical actions that are presented and the content of the denouncements made, making the relevant recommendations to the Board of Directors.
26. Review the content of the Corporate Governance Report and emit a favorable concept for its approval by the Board of Directors.
27. Establish the guidelines, standards and directives that the Company will take into account to invest in financial assets.
28. Study, analyze and approve the corporate financing projects.
29. Assist the Board of Directors in the compliance of its supervisory responsibilities related to risk management.
30. Review and evaluate the integrity of the Company's function in risk management.
31. Review the adequacy of economic and regulatory capital, in the cases in which it is necessary to do so, of each company and its allocation to the different business lines and/or products.
32. Review the risk limits and the risk reports, making the relevant recommendations to the Board of Directors.
33. Propose the Company's Risk Policy to the Board of Directors.
34. Systematically assess the risk strategy and general policies in the Company and establish the limits by type of risk and business, with the level of disaggregation established for businesses, business or economic groups, clients and areas of activity.
35. Analyze and assess ordinary risk management in the Company, in terms of limits, risk profile (expected loss), profitability and capital map (at-risk capital).
36. Analyze and evaluate the Company's risk-control systems and tools.
37. Formulate the improvement initiatives that are considered necessary on the infrastructure and the internal-control and risk-management systems.



38. Submit the proposals for rules of delegation to the Board of Directors to approve the different types of risks that apply to it or to other lower levels of the Organization.
39. Report to the Board of Directors on the operations that it must authorize, when the operations exceed the powers awarded to other levels of the Company.
40. At the Boards' request, report to it on the operations that it must authorize by law or internal or external regulation or provision.
41. Assess and implement the indications formulated by supervisory authorities in exercising its function.
42. Adapt risk management in the Company to an advanced model that allows the configuration of a risk profile in line with the strategic objectives and monitor the adaptation of the risks assumed to that profile.

b. The Appointment and Retribution Committee

The Board of Directors will form an Appointment and Retribution Committee with three (3) of its independent or equity members. The Committee will be chaired by an independent member.

The Committee shall have the following functions:

1. Support the Board of Directors in exercising its functions of a decision-making or advisory nature related to matters of appointments and remuneration of the members of the Board and Senior Management.
2. Inform the Shareholder's Assembly, at the request of its President, on specific aspects of work done by the Committee.
3. Inform the Shareholders' Assembly on its actions and attend the questions raised by shareholders regarding its powers.
4. Report, where appropriate, the independent qualification of candidates to be members of the Board of Directors, to be proposed to the Shareholders' Assembly by the Board or directly by the Shareholders.



5. In cases of the re-election or ratification of members of the Board of Directors, formulate a proposal that contains an assessment of the work the proposed member has been performing, and the actual dedication to the position during the last period.
6. Inform the Board of Directors of those cases of members that could negatively affect the operation of the Board of the Company's reputation, and, especially, when they are involved in any case of legal incompatibility, inability or prohibition.
7. Propose to the Board of Directors the Policy of Succession for members of the Board and Senior Management and other key executives.
8. Evaluate the candidates and propose the appointment and removal of the Company's Chief Executive Officer and Senior Management.
9. Propose the objective criteria with which the Company hires and remunerates its key executives.
10. Propose to the Board of Directors the Remuneration Policy for Board members and the Remuneration Policy for Senior Management, which must be approved by the Shareholders' Assembly.
11. Within the framework of the Remuneration Policy approved by the Shareholders' Assembly, propose to the Board of Directors the individual amount of remuneration for the members of the Board, including the Board Chairman, and the Executive Members, if any, for performing functions different from those of a Board member and the other conditions of their work contracts.
12. Ensure observance of the Remuneration Policy for the members of the Board of Directors and other Administrators and the transparency and disclosure of their remuneration, pursuant to Company policy and the law.
13. Regularly review the remuneration programs for members of the Board of Directors and the Remuneration Policy for Senior Management.
14. Develop the Annual Report of the Remuneration Policy for members of the Board of Directors and the Remuneration Policy for Senior Management
15. Propose the Company's Human Resources Policy.



16. Support the Board of Directors in the process of setting management goals and the consequent performance assessment of the chief officers, including the Chief Executive Officer and the officers immediately below him or her.
17. Analyze, with the periodicity deemed necessary, the following aspects related to the Company's Board of Directors, for which it may hire a third-party expert consultant:
 - ✓ Personal profiles (related to career, recognition, prestige, availability, leadership, group dynamics, diversity, female participation, etc.) most convenient for the Board of Directors.
 - ✓ Tentative composition of functional profiles (associated with aspects such as knowledge and professional experience) that the Board of Directors needs in each circumstance.
 - ✓ The time and dedication necessary so that the members of the Board of Directors may properly perform their obligations.
 - ✓ The gaps existing between the Advisors' profiles and the profiles identified as necessary for the Company.

Based on the results of the analysis mentioned, the Committee shall design a formal training and updating plan for the members of the Board of Directors, in accordance with the needs identified.

The result of this evaluation and the training plan must be presented to the Board of Directors, who will analyze it and then share it with shareholders and investors through the Company's Webpage.

18. Oversee compliance of the requirements and procedures to elect the members of the Company's Board of Directors.
19. All other functions based on the nature and purpose of the Committee.

c. Corporate Governance and Board Issues Committee

The Board of Directors will form a Corporate Governance and Board Issues Committee that will be made up of four (4) independent or equity members, and chaired by an independent member, and which shall:

1. Assist the Board of Directors in its functions of proposing and overseeing the Corporate Governance measures adopted by the Company.



2. Monitor the observance of the Corporate Governance rules, regularly reviewing their compliance, recommendations and principles.
3. Promote shareholders and the market in general having full, accurate and timely access to the Company information that must be disclosed.
4. Review and evaluate the manner in which the Board of Directors has complied with its duties during the period.
5. Coordinate the induction process for new members of the Board of Directors and promote their training and update them on topics that are related to the competence of the Board.
6. Check that the practices of the Company's Corporate Government, the conduct and the business and administrative behavior conform to the provisions of the Corporate Governance Code and other internal and regulatory standards.
7. Study the proposals to reform the Bylaws and the Corporate Governance Code that relate to the governance of the Company and present the amendments, updates and derogations to the provisions related to Corporate Governance.
8. Regularly monitor the negotiations by members of the Board of Directors and Administrators with shares issued by the Company or by other issuers when they are part of the Corporate Group and, in general, their action in the field of the stock market.
9. Within ten (10) calendar days following their presentation, respond to complaints from shareholders and investors who believe that the Company is not applying the Corporate Governance policies adopted.
10. Know the actions related to the conduct of the members of the Company's Board of Directors that could be contrary to the provisions of the Bylaws, the Board Regulations and other internal regulations, and inform the Board of this, when the Committee deems it necessary.
11. Oversee the operation of the Company's Webpage and other mechanisms to disseminate information.
12. Support the Board of Directors' Chairman in conducting the annual evaluation of this body, review the results of the process and formulate suggestions for its best performance.



13. Promote the training of members of the Board of Directors, as well as their proper training and updating in academic and business topics and, also, encourage their attendance at seminars and workshops that allow them to be in contact with national and international agencies, entities and companies.

14. All other functions based on the nature and purpose of the Committee

d. Strategic Planning Committee

The Board of Directors will form the Strategic Planning Committee, which will be made up of four (4) of its independent or equity members, which shall be chaired by an independent member.

The Committee will meet twice (2) a year, on the dates it deems appropriate. It will be attended by the Company Chief Executive Officer, who shall have the right to state his or her opinion but not the right to vote. The decisions made by a simple majority vote by the Committee will be adopted and recorded in the meeting minutes. The Committee's functions will be to:

1. Review, at least once (1) a year, the Strategic Plan, to enable the Company to fulfill its mission and vision and achieve its strategic objectives.
2. Propose to the Board of Directors, when it deems necessary, a draft of adjustments, reforms and updating of the Company Strategic Plan, Mission, Vision, Corporate Philosophy and Strategic Objectives.
3. Study, analyze and approved the investment or new business projects that are presented by the Chief Executive Officer and their alignment with the Strategic Plan.
4. Evaluate periodically compliance with the Strategic Plan and present a report of its outcome to the Board of Directors.

The Board of Director Committees may obtain occasional or permanent support from members of Senior Management with experience on matters within its competence or from outside experts.

All meetings of the Committees will be evidenced in minutes, copies of which shall be sent to all the members of the Board of Directors.



The other companies that form part of *Grupo Empresarial* which are listed in the National Registry of Securities and Issuers may choose not to constitute Board of Director committees, understanding that the functions of these committees shall be assumed by the Board of Director support committees, without this implying a transfer of responsibility to the Parent Company.

ARTICLE 11 –APPOINTMENT AND ESTABLISHMENT OF RESPONSIBILITIES OF THE COMPANY’S CHIEF OFFICERS AND MAIN EXECUTIVES AND REMUNERATION POLICY

The appointment and establishment of responsibilities of the chief officers and main executives of the Company will be made pursuant to the Bylaws and to the provisions set forth herein and, considering their capabilities and experience, as concerns Company needs.

The Legal Representative must inform the Board of Directors on a timely basis of such appointments and the corresponding attributions of responsibility, as the case may be.

Likewise, setting the remuneration for the chief officers and main executives will be done using the fairness criteria, solely taking into account objective factors such as qualifications, experience, and job market situation to determine such remuneration, without prejudice to special incentive policies that the Company may indicate, by virtue of the above–mentioned factors and the goals that the Company indicates, and also based on Company results obtained.

All of the above is without prejudice to legal provisions of a labor nature regulating employee remuneration.

ARTICLE 12– IDENTIFICATION OF THE MAIN REAL BENEFICIARIES OF THE CONTROLLING COMPANY STOCK

The identification of the real main beneficiaries of the Company stock will be done according to the disclosure policies set forth by law while respecting the investor’s privacy.

ARTICLE 13 – COMMERCIAL RELATIONS BETWEEN THE COMPANY AND ITS MAJORITY SHAREHOLDERS OR OTHER CONTROLLING SHAREHOLDERS AND BETWEEN THE COMPANY AND ITS CHIEF OFFICERS OR THEIR RELATIVES OR ASSOCIATES

Commercial relations between the Company and its majority shareholders or other controlling shareholders and between the Company and its chief officers or their spouses or companion or life partner, their relatives up to the fourth degree of consanguinity, the



second degree of kinship through marriage, and the first degree of kinship through adoption or their associates will be governed by transparency. This criteria will guarantee that the Company has full knowledge of the family relationship or the relationship of the associations that bind one of its officers with a possible supplier of goods or services and that the Company will choose the proposal that best suits its interests, based on factors such as experience, quality, and price, without it being understood that the lowest price offered is in itself the prevailing criteria for selection. At any case, prior written authorization from the Ethics, Transparency and Conflict-of-Interest Committee will be required as stipulated in Article 44 herein.

It must be clear that no chief officer or employee can be interested in pursuing businesses in the name of the *Grupo Empresarial* with any of the persons indicated in the above paragraph.

Nor will they be able to do business in the name of the Company in which they themselves or their spouse, companion or life partner or relatives up to the fourth degree of consanguinity, the second degree of kinship by marriage, and the first degree of kinship by adoption have an interest.

The provisions in this article shall also apply to commercial relations between majority shareholders or other controlling shareholders and the subordinate companies.

ARTICLE 14- PROCUREMENT OR DISPOSAL OF COMPANY STOCK BY BOARD OF DIRECTOR MEMBERS, THE LEGAL REPRESENTATIVE OR OTHER COMPANY ADMINISTRATORS AND STOCK BUYBACK

a) Conducting Operations Related to Company Stock by Board of Director members, the Legal Representative or Other Company Administrators

Pursuant the Company Bylaws, the Board of Directors must authorize its members, the Legal Representative(s), and other Company Administrators to acquire or dispose of Company stock, in the cases and with the requirements demanded by law to conduct any operation related to Company stock, including the direct or indirect transfer or acquisition of Company shares or future shares. The above without prejudice of establishing incentives in the form of payment with legal or extra-legal bonus shares, as well as the right of preference in the Company stock issuance, which the administrator shareholders may exercise without the authorization of the Board of Directors, except when acquiring additional rights to which they are entitled according to their shareholding. For all purposes of this article, the “repo” operations made by Administrators with respect to Company shares are not considered disposals.



Notwithstanding the provisions herein, always seeking transparency and, more especially, avoiding the use of privileged information, the members of the Board of Director and the Company administrators are prohibited from conducting operations in general, to acquire or dispose of, whether directly or indirectly, stock issued by the Company, from the moment they know the quarterly results to be transmitted to the authorities and/or the time that they have knowledge of a possible business dealing by the *Grupo Empresarial* which could influence stock prices, until the time that such information and events are officially of public domain.

The Board of Directors will ensure compliance with these provisions; that is, it will solely authorize operations to dispose of or acquire Company stock by the Company Administrators when the operations are not for the purpose of speculation, with a favorable vote of two-thirds (2/3) of its members, excluding the vote of the requesting party. To do so, the following procedure must be followed:

1. The Board of Directors member, the Legal Representative or the Company Administrator must first submit a request, through the Secretary General's Office, for Board of Director authorization; such request will state his or her intention to acquire or dispose of Company stock, specifying details such as the number of shares, the class, the approximate value of the operation, and the grounds for doing so.
2. The Secretary General will take the request to the next Board of Director meeting for a decision.
3. If the operation is authorized, it must be disclosed to the market by the Company as important information.
4. The operation must be made within the next month after approval to avoid any speculation.
5. The Board of Director member, the Legal Representative or the Company Administrator must inform the Secretary General after making the authorized operation, also informing the conditions thereof.
6. The Board of Director Corporate Governance and Board Issues Committee will monitor the request process and the development of the operations authorized.

b) Stock Buyback

For stock buyback, it will be done as provided by Law and the Stock Buyback Policy, which is part of this Code as “Attachment 3 – Policy for Stock Buyback.”



ARTICLE 15– SELECTION OF SUPPLIERS OF GOODS OR SERVICES FOR THE COMPANY

Suppliers of goods or services for the Company will be selected using the criteria of free-market concurrence and improving Company efficiency and profitability, within the principles of respect to commercial loyalty and good faith, as well as sound commercial practices.

The Company will disclose the legal and economic ties that it has with its main suppliers of goods or services or with the Board of Director members, the Legal Representative or other Company Administrators, in the form stated by law and meeting legal requirements, without prejudice of the confidentiality that is established by virtue of contracts or legal provisions.

All suppliers of goods and services for *Grupo Empresarial* must comply with the Code of Conduct for Suppliers, which regulates the selection and contracting of suppliers, food quality and safety, the environment, corruption and bribery, gifts and entertainment, conflicts of interest and information security; and is part of this Corporate Governance Code as “Attachment 4: Code of Conduct for Suppliers.”

ARTICLE 16– POLICY FOR THE SELECTION AND REMUNERATION OF THE FISCAL AUDITOR

The Fiscal Auditor of the Company shall be elected by the Shareholders’ Assembly; he or she will depend exclusively on the Assembly and will not be involved in any type of subordination regarding the Company Administrators, in order to preserve his or her independence.

The selection of the Fiscal Auditor will be determined in a manner that strictly complies with the criteria of professional independence of the individual or legal corporate entity occupying that position. Remuneration will be set according to his or her technical capacity, market parameters, the Company’s size and the complexity of its operations, and the specific responsibilities proper to the position.

The Board of Directors shall verify that the candidate or candidates that are presented for consideration to the Shareholders’ Assembly to be elected as Fiscal Auditor comply with the requirements necessary to adequately perform his or her functions and that they are not involved in incompatibilities or inabilities foreseen in Article 205 of the Commercial Code; in Articles 50 and 51 of Law 43 of 1990; or any other regulation that modifies or adds to them, as well as those referred to in this Corporate Governance Code. In this sense, the following persons may not be Fiscal Auditors:



- Those who are shareholders of the Company or any of its subsidiaries.
- Those who are related by matrimony or kinship up to the fourth degree of consanguinity, the second degree of kinship through marriage, and the first degree of kinship by adoption, or those who are co-associates of the Administrators and Directors, auditors or accountants of the Company or its subsidiaries.
- Those who perform any other position in the Company or its subsidiaries. The Fiscal Auditor may not perform any other position in the Company or its subsidiaries during the respective period and he or she is also prohibited from entering into contracts with the Company or acquire its shares.
- Those who have been subject to disqualification, suspension or any other type of specific sanction in exercising the services of financial auditing, imposed by a judge or a regulatory or supervisory authority for the countries in which *Grupo Empresarial* is active.

To ensure the proper, efficient compliance of the functions of Fiscal Auditor, it is necessary that the person to be elected meet the following requirements:

- Demonstrate appropriate technical preparation and experience and have a suitable professional support team for the optimum performance of his or her duties.
- Have the availability of time and resources that reasonably ensure that his or work will have the scope and coverage required by the Company.
- Present a proposal for services that includes, among others, aspects related to the reports to be presented and their periodicity, and the persons who will make up his or her team.
- Have an impeccable reputation for honesty, professionalism and integrity.
- Have at least ten (10) years of experience in the activity.

Likewise, in order to ensure the independence of the Fiscal Auditor, the Company:

- Will not appoint for the position individuals or firms that have received revenues from the Company and/or from its economically bound companies, which represent twenty-five percent (25%) or more of its revenues of the past year.



- Will not contract with the Fiscal Auditor or with persons or entities related to him or her services other than auditing services, nor will its economically bound companies do so. Nor will it contract these services with companies with which there is a broad coincidence of its members and/or administrators with those of the Fiscal Auditing firm.
- Will include in the negotiation with the Fiscal Auditor the commitment that auditors rotate at least once every five (5) years and that the person rotated can only do the auditing again after a two (2) year period of being away.

The Fiscal Auditor must certify his or her independence from the Company and *Grupo Empresarial* in the annual report or opinion.

The Company shall publish the annual cost of the fees paid to the Fiscal Auditor, as well as the proportion it represents of the firm's total revenue related to its fiscal auditing activity, on the Webpage.

ARTICLE 17–INFORMATION THE COMPANY FURNISHES TO ITS SHAREHOLDERS, TO OTHER INVESTORS, TO THE MARKET, AND TO THE PUBLIC AT LARGE

Information from the Company to its shareholders, to other investors, to the market, and to the public at large must be accurate, complete and verifiable against the accounting as concerns operations that, due to their nature, must be reflected in the financial statements or if the information regards business initiatives or projects it must be according to expectations, projections, cash flows or budget, all of the above within the restrictions imposed by law or in contracts or in confidentiality agreements regarding the disclosure of this kind of operation.

Without prejudice to the above, the Company will be entitled to reserve information of a confidential nature or information that it considers that, if made known to certain persons, could affect its interests, the interests of its shareholders or the interests of third parties.

The operations among the Related Parties, the off–shore operations and the operations among the *Grupo Empresarial* company, that are classified as material for the Company, based on objective parameters such as volume of the operation, percentage of assets, sales or other indicators, shall be included in detail in the public financial information.



In addition, on a permanent basis, the Company will inform the public at large of the class and number of the shares issued, as well as the number of shares in reserve for each class of shares, and the rights and obligations inherent in each class of shares.

ARTICLE 18– DISPUTES ARISING BETWEEN THE COMPANY AND ITS EMPLOYEES OR AMONG THE WORKERS

Disputes that arise between the Company and its employees or among its employees will be settled pursuant to law and to the Company's internal rules and penalties imposed, if need be.

ARTICLE 19–RELATIONSHIP MECHANISMS BETWEEN THE COMPANY AND ITS SHAREHOLDERS

The Company has the following means of communication and interaction with shareholders:

a) Quarterly Newsletter for Shareholders

The newsletter for shareholders is prepared on a quarterly basis. It presents the quarterly results and a summary of the cumulative results of all of the companies in the *Grupo Empresarial* and their businesses. The newsletter also includes market news and news regarding the businesses, new products, and information on stock behavior as well as any other information considered to be of interest to shareholders.

b) The Company Webpage

The Webpage www.gruponutresa.com is organized in a friendly manner, so that it is easy for users to access the information related to Corporate Governance. It is periodically updated with financial information, presentations to investors, annual results, press communications and notes, and pertinent information. Likewise, stock–market performance and related matters are updated daily.

The Website also shows the updated information on the *Grupo Empresarial* brands and products as well as a complete description of the businesses, regions, and countries where there are operations. Furthermore, the Website publishes the jurisdictional procedure that shareholders must follow to effectively protect their rights with the Colombian Financial Superintendent.

The support information published on the Webpage will be documents that can be printed, downloaded and shared.



The Webpage will have the following links or a similar name:

- **About the Company:** History, main data, vision and values, business model, corporate structure, governance model and the relationships between the Parent Company and the subsidiaries.
- **Shareholders:** Quote, capital, analyst coverage, significant events reported to the National Registry of Securities and Issuers (RNVE, for its acronym in Spanish), financial information (audited financial statements and the Fiscal Auditor's report or opinion, the annual report, the management report, the presentation of intermediate results, economic and financial indicators, etc.), the General Assembly (summons, agenda, proposals for agreement, information related to the points of the agenda, representation model, etc.), the history of paid share dividends, contact information for the office for shareholders, frequent questions, etc.
- **Relations with Investors:** Results, presentations (of results, operations, conferences, events, etc.), financial reports (the annual report, the management report, quarterly reports, risk-management reports, information to supervisory bodies, significant news, periodic public information, etc.), characteristics of existing debt issues, rating reports, etc.
- **Corporate Governance:** Bylaws, the General Shareholders' Assembly and its Regulations, the Code of Corporate Governance, the makeup of the Board of Directors and its Regulations, Board Committees, the Corporate Governance Annual Report, Committee Reports, information rights, shareholder agreements, Code of Conduct, Code of Ethics, copy of the last five (5) completed Country Code Surveys and/or Implementation Report, principal policies of the Company, etc.
- **Sustainability:** Policies on corporate social responsibility, relationships with stakeholders, the community, the environment, etc.

c) **Presentation of Quarterly Results**

The quarterly results of the Company, as well as the relevant events of the period, will be presented by the Company Chief Executive Officer or whomever he or she designates through a conference attended in person or transmitted by electronic means, the content of which will be published on the Company's Webpage.

d) **Shareholder Attention and Service**



DECEVAL, the deposit administrator for shares and the shareholder book of the Company, provides and coordinates the following services to shareholders in its branch offices:

- Dividend payment management
- Attention to requests, complaints, claims, and concerns
- Generation of certificates
- Stock–market broker relations

e) Investor Services

To provide services other than those mentioned in **c)** above and/or provide general information on the quarterly results of the Company, the Office of the Chief Financial Officer has an Investor Services Office; contact information may be found on the Company Webpage.

CHAPTER III – INFORMATION TRANSPARENCY AND INFORMATION FLOW

ARTICLE 20– MARKET DISCLOSURE OF INFORMATION REGARDING ESSENTIAL COMPANY ASPECTS

Considering that information is the principal instrument available to shareholders, employees, clients, suppliers, consumers and other stakeholders, the Company has implemented an Information Disclosure Policy that aims to ensure that the information disclosed to the market is transparent, fair, accurate, timely, and in no case is information of a confidential nature shared with third parties. This Policy is part of this Corporate Governance Code as “Attachment 5: Policy on Information Disclosure.”

ARTICLE 21– MARKET DISCLOSURE OF INFORMATION ON THE PERSONAL AND PROFESSIONAL CONDITIONS OF THE BOARD OF DIRECTOR MEMBERS, THE FISCAL AUDITOR AND OTHER CHIEF OFFICERS

On the occasions and under the conditions set forth by law, the Company must disclose to the market the résumés of the Board of Director members, Legal Representatives, and the persons performing the Fiscal Auditing, for the market to become familiar with their professional background, academic background, and experience, which enables them to perform their duties properly, always respecting the privacy of their personal and family life.



ARTICLE 22 –MARKET DISCLOSURE OF COMPANY INFORMATION GATHERING AND SUPPLY MECHANISMS AND OF INTERNAL–CONTROL PROCEDURES

The Company must disclose information to the market regarding the structure, functioning, and mechanisms for gathering and supplying company information as well as the procedures used by the corporate bodies that perform internal control.

ARTICLE 23 – MARKET INFORMATION ON THE RESULTS OF THE EXTERNAL AUDITS

The Company must inform the market of the kind of external audits conducted as well as their frequency, the methodology used and the results obtained.

The selection and remuneration of those who conduct these audits will be done in a way that gives strict compliance to the criterion of professional independence of the natural or legal person occupying the position, and establish his/her/its remuneration according to market parameters, considering the Company's size and the specific responsibilities assumed.

ARTICLE 24 – INFORMATION ON OPERATIONS THAT MAY RESULT IN EQUITY DILUTION

When considering operations that may result in the dilution of shareholders' equity (an increase in capital with the waiver of the right of preference, merger, scission or segregation, among others), the Board of Directors will present shareholders with a preliminary report on the operation, which must include the opinion on the terms of the transaction by an independent external consultant of recognized solvency so designated. This report will be made available to shareholders in advance of the respective meeting of the Shareholders' Assembly, within the terms for exercising the right of inspection.

ARTICLE 25 – THE ANNUAL SUSTAINABILITY REPORT AND THE CORPORATE GOVERNANCE REPORT

The Company shall present the ordinary meeting of the Shareholders' Assembly with an Annual and Sustainability Report, in which it will report on the management of economic, social and environmental areas within the framework of sustainable development, with relevant information for stakeholders and all those who are interested in knowing it.



Additionally, the Company shall prepare an annual Corporate Governance Report, the content of which is the responsibility of the Board of Directors, after the review and favorable report of the Finance, Audit and Risk Committee, which will be presented together with the rest of the year-end documents.

The Corporate Governance Report shall contain information describing the manner in which the Company complied with the corporate-governance recommendations adopted by the Company and the major changes produced. Likewise, it will contain the attendance of Board members to the meetings of this body and its committees.

The structure of the Corporate Governance Report shall conform to the following scheme:

- **Ownership Structure of the Company and *Grupo Empresarial***
 - Capital and ownership structure of the Company
 - Identity of shareholders who have significant direct and indirect holdings.
 - Information on shares that members of the Board of Directors directly (personal capacity) or indirectly (through companies or other vehicles) own and of the voting rights they represent.
 - Family, commercial, contractual or corporate relationships that exist among the holders of significant interests and the Company, or among the holders themselves of the significant interests.
 - Negotiations that members of the Board, Senior Management and other Administrators have conducted with the shares and other securities issued by the Company.
 - A synthesis of the agreements among shareholders of which it is aware.
 - Treasury shares held by the Company.
- **Management Structure of *Grupo Empresarial***
 - The composition of the Board of Directors and the identification or source of each of the members and of the Committees. The date of the first and later appointments.
 - The Curriculum Vitae of the members of the Board.



- Changes in the Board during the period.
 - Members of the Parent Company Board of Directors who are members of the Boards of the subsidiaries or who hold executive positions in them.
 - Policies approved by the Board during the reporting period.
 - Process to appoint members to the Board.
 - Remuneration Policy for the Board
 - Remuneration of the Board and Senior Management, pursuant to Company policies and the law.
 - Quorum of the Board.
 - Dates of attendance at Board and Committee meetings.
 - Chairman of the Board (functions and key issues).
 - Secretary of the Board (functions and key issues).
 - Relations of the Board during the year with the Fiscal Auditor, financial analysts, investment banks and rating agencies.
 - External advice received by the Board.
 - Information management by the Board.
 - Activities of the Board Committees.
 - Information on the realization of the evaluation process of the Board and Senior Management, as well as a summary of the results.
- **Operations with Related Parties**
 - Attributes of the Board on this type of operations and conflicts of interest.



- Details of the most relevant operations with Related Parties in the judgment of the Company, including operations among the companies of *Grupo Empresarial*
- Conflicts of interest presented and action of Board members.
- Mechanisms to resolve conflicts of interest among companies of *Grupo Empresarial* and its application during the period.
- ***Grupo Empresarial Risk–Management Systems***
 - Explanation of the *Grupo Empresarial* Internal–Control System (SCI, for its acronym in Spanish) and its modifications during the period.
 - Description of the risk policy and its application during the period.
 - Materialization of risks during the period.
 - Response and supervision plans for the principal risks.
- **The General Shareholders’ Assembly**
 - Differences in the operation of the Assembly between the minimum requirements of current legislation and that defined in the Bylaws and the Company’s regulation for the Assembly.
 - Measures adopted during the period to encourage shareholder participation.
 - Information for shareholders and communication with them.
 - Number of requests and matters on which shareholders have requested information from the Company.
 - Attendance data from the Shareholders’ Assembly.
 - Detail of the principal agreements made.

Likewise, the Company shall publish annually, on its Webpage, an explanatory report on the organization, methods and procedures of the Control Architecture implemented in order to provide correct, safe financial and non–financial information, safeguard the assets of the



entity and the efficiency and security of their operations. Information on the Control Architecture is complemented with a risk–management report.

CHAPTER IV – RULES OF CONDUCT FOR OFFICERS AND EMPLOYEES

ARTICLE 26 – GENERAL RULES OF CONDUCT

All officers and employees are bound to comply with the laws, provisions, and regulations issued by the authorities, as well as the policies established by the Company Board of Directors.

The interest of the Company and the interest of its subordinated companies will always prevail over the individual interest of the persons who have a work relation with them when, in businesses related to developing the corporate purpose, the officer or employee may have a conflict between his or her condition as officer or employee and his or her personal interest.

Compliance with the rules and regulations set forth herein are the responsibility of each and every one of the employees. Each executive in his or her respective area must ensure that such rules and regulations are duly known and obeyed.

No officer or employee, either directly or indirectly, either personally or by proxy, may enter into or conduct businesses that good commercial customs and practices could qualify as adverse to the interests of *Grupo Empresarial*. *Grupo Empresarial* officers and employees must act always seeking the proper success of *Grupo Empresarial* activities and businesses, avoiding all conflicts of personal interest and systematically rejecting any and all ties with persons, companies or associations whose activities are the same as or similar to those of *Grupo Empresarial*.

ARTICLE 27 – LOYALTY

The *Grupo Empresarial* employees will act loyally, with good faith and with the diligence of a good business person, always placing the Company's interests above their own.

ARTICLE 28 – TAKING ADVANTAGE OF THE POSITION

No employee may take advantage of his or her position in the Company or of the Company name to obtain for himself or herself or for his or her spouse, companion or life partner or relative to the fourth degree of consanguinity, the second degree of kinship through marriage, and the first degree of kinship by adoption, special treatment in matters of loans



and/or the supply of goods or services by persons who commonly negotiate with the companies that belong to *Grupo Empresarial* or that intend to negotiate with any of them.

While performing their jobs, the officers and employees must treat third parties fairly, loyally, and under equal conditions, so that their relations with *Grupo Empresarial* do not represent any special or advantageous treatment for the former or for the latter, nor induce the third parties to feel obliged to have special considerations towards a determined employee.

No Company employee may seek or obtain any profit for himself or herself, his or her relatives or third parties from confidential or privileged information or from opportunities that may arise due to his or her status of employee. Nor may he or she participate in activities or businesses that are illegal or that go against good business practices, thus affecting the Company's good name.

A payment that, legally, according to the Bylaws or ethically speaking, cannot be made by the Company must not be made directly or indirectly through an officer, employee, family member, agent, broker, consultant or any other person to whom the money is provided or to whom a reimbursement of funds is made.

Internal-Control systems will include procedures to help oversee compliance of these policies, and it is the obligation of all employees to reveal to the Internal Auditors and, as the case may be, to the Fiscal Auditor, any event that he or she may become aware of or discover relating to the violation of said policies.

ARTICLE 29– USE OF COMPANY ASSETS

The Company's assets, services, and, generally speaking, human resources and materials are for the exclusive use of its employees and to be used for the purpose for which they were destined, thus avoiding any improper use thereof.

ARTICLE 30– BUSINESS DEALINGS WITH EX-EMPLOYEES

No contract, business deal or operation may be entered into or performed with ex-employees of the *Company*, who were removed due to conduct that went against any of the Group companies or against the Group policies or interests, or who—after their removal—adversely criticized them.

ARTICLE 31 – BUSINESS DEALINGS WITH OTHER THIRD PARTIES



Any worker, who has or intends to acquire economic, managerial or administrative participation in companies other than those that trade their stock on the stock exchange, that manufacture or distribute products with which any of the *Grupo Empresarial* companies have commercial relations or that provide the services that such companies provide in their normal course of business, must make such situation known to his or her immediate superior, for the latter to obtain a written decision from the special commission for conflict of interest settlement. Any employee who, pursuant to Article 13 herein, enters into business deals with companies in which his or her spouse, companion or life partner or relative to the fourth degree of consanguinity, to the second degree of kinship through marriage, and to the first degree of kinship through adoption, has an economic, managerial or administrative participation and when any employee intends to provide any type of consulting to any person other than the company who employs him or her.

ARTICLE 32– ACCEPTING COURTESIES

It goes against the Company's interest that any officer or employee accepts courtesies in cash or in kind, such as gifts, invitations, commissions, trips, participation in business deals, and any other offering implying a significant amount that may compromise or incline the behavior of such officer or employee towards those who give the courtesy to him or her.

Regarding the above, officers and employees may only accept the normal courtesies commonly seen in sound commercial practices and they must inform their respective superiors thereof; the latter will determine if such courtesies must be returned or not.

ARTICLE 33–INFORMATION FURNISHED BY THE COMPANY OR BY ITS EMPLOYEES

No officer or employee may furnish confidential data or information regarding *Grupo Empresarial* to persons other than those authorized there for, no matter if such information is known to them due to their position or by any other means. Nor may any officer or employee use that information for his or her personal gain or that of third parties. This aspect includes the prohibition of informing suppliers of the quotes submitted by their competitors in business deals with the *Grupo Empresarial* companies.

Notwithstanding the above, Colombian law can require revealing financial information or information of any other kind. To ensure that the Company is aware of said disclosures, the Legal Representative must be sent a copy of the documents issued or of those that are available to the public, which have been issued in response to such laws. In addition, the corresponding company must determine what data among the data related to its operations must be made known of its own volition, even when not legally required. If such data is important to the Company, it must first be sent to the Legal Representative for his or her



review and to ensure that it is consistent with other information, as well as with applicable laws and regulations.

ARTICLE 34– PROTECTION OF INFORMATION

It is the *Grupo Empresarial* policy to maintain a high level of security in matters concerning computer, communications, and telecommunications facilities, in order for it to carry out its activities free of risk and take all necessary measures to guarantee information confidentiality. That implies properly protecting all computer and telecommunications system components used; that is, the information, the programs, and the equipment. It is also necessary to have plans to guarantee the continuity of critical business operations in the event of damage or failure that affects the mentioned systems.

Rules, regulations or procedures set forth to protect resources must be compatible with those described herein and must also be obeyed and followed by all officers and employees. In addition to obeying such rules and regulations, officers and employees must comply with the following:

- All officers and employees must take special care to protect the documents that comprise the Organization's historical archive, respecting all rules and regulations regarding external, internal or confidential correspondence. They must further ensure compliance with legal regulations for accounting archives and correspondence archives.
- Before using information stored in a computer, all officers and employees must request authorization for access. Such authorization will be granted and the employee will keep the information as long as he or she has a real need to know to perform his or her duties.
- Employees must protect the information and the computer programs for which they are responsible from unauthorized loss, use or disclosure.

ARTICLE 35– OWNERSHIP OF TRAINING MATERIAL

All books or memoirs given to any *Grupo Empresarial* employee during a course or seminar to which he or she was sent or was sponsored by the Company is the exclusive property of the Company or its subsidiaries and what is learned therein may only be used for the benefit of *Grupo Empresarial*

ARTICLE 36– INTELLECTUAL PROPERTY

The inventions, as well as enhancements on procedures and the results of the officer's or employee's activities, will be the exclusive property of the Company, which will be entitled



to protect them as intellectual property in its name or in the name of third parties. To this end, the employee will facilitate timely compliance of the corresponding formalities and he or she will sign the powers of attorney documents necessary for such purpose, in the fashion and at the time that the employer requests, without the employer being bound to pay any compensation whatsoever. Therefore, all enhancements made by the employee, whether in processes, formulations, work systems, products or in any other new initiative that is delivered as a result of his or her work or of the trips made on behalf of the employer will be the property of the employer and may not be used by the employee for his or her own benefit or for the benefit of third parties while he or she is laboring at the service of his or her employer, and much less so when he or she has left the Company, since the intellectual property of the results of his or her work will belong exclusively to his or her respective employer or to whomever the respective employer determines.

Any individual who has participated in the development of any invention or enhancement, work or result susceptible to protection as intellectual property and who will start providing services to the Company as an employee must so state in writing and that document will be attached to the work contract.

ARTICLE 37 – ACCEPTING A POSITION

All *Grupo Empresarial* employees must obtain the approval of the Company Legal Representative to be able to accept the position of Board of Director member of any entity, whether it is a public-sector or private-sector entity, because the time that they devote to such position must not interfere with the activities for which they have been hired.

ARTICLE 38– USING SAMPLE MERCHANDISE

Employees must abstain from using the sample merchandise facilitated and owned by third parties.

ARTICLE 39– THE DUTY TO CONSULT

All employees must first consult with their immediate superior any doubt that they may have regarding whether any rule or regulation in a specific situation or the principles that have inspired this Code apply to them or not.

ARTICLE 40 – POLITICAL CONTRIBUTIONS

Officers and employees will be at liberty to intervene in the political activities of their choice when they are off duty. Such participation, whether in money, time or property,



must be a totally private matter and in no way, shape or form must such officers and employees involve *Grupo Empresarial*

Officers and employees must abstain from all practices of internal political proselytism.

ARTICLE 41– HIRING RELATIVES

Persons related by matrimony, common-law marriage or by kinship may be hired by the Company, except when:

- They work in the same area and also are close relatives (up to the third degree of consanguinity, or the second degree of kinship through marriage or the first degree of kinship through adoption), or
- When there is a direct or functional relationship of subordination, and also are close relatives (up to the third degree of consanguinity, or the second degree of kinship through marriage or the first degree of kinship through adoption)

ARTICLE 42– ADDITIONAL RULES OF CONDUCT

All Company chief officers or employees are bound to inform their immediate superiors and, as the case may be, the Auditing and Control Committee and/or the Fiscal Auditor, of any irregular act by any other chief officer, officer or employee or third party that may affect or harm the interest of *Grupo Empresarial*; likewise, they must abstain from:

- Intervening in actions that enable, protect or facilitate the performance of illegal acts or of acts that can be used against the public interest or against the interests of *Grupo Empresarial*
- Carrying out activities that represent competition to *Grupo Empresarial*
- Incurring in work conducts involving causing fear, intimidation, terror or anguish, causing damage, generating demotivation, inducing resignations, mistreatment, persecution, discrimination, hindering and/or not protecting the work regarding their subordinates and/or work colleagues.

ARTICLE 43– HUMAN RIGHTS



The Company will work on the development of a corporate context to promote the adoption and implementation of practices and behaviors aimed at respecting Human Rights, in line with international treaties.

For this purpose, the Company has adopted a Human Rights Policy, which is part of this Corporate Governance Code as “Attachment6 –Human Rights Policy.”

ARTICLE 44 – THE ETHICS, TRANSPARENCY AND CONFLICT-OF-INTEREST COMMITTEE

The Company will have an Ethics, Transparency and Conflict-of-Interest Committee that will ensure compliance with this Code and, especially, by the provisions in the Chapter on “Rules of Conduct for Directors and Employees.”

The Committee shall be composed by the Company Chief Executive Officer, the Chief Financial Officer the Vice President General Counsel .

The functions of the Committee will be:

1. Ensure compliance of the Rules of Conduct contained in the Corporate Governance Code, especially those established in the Chapter on “Rules of Conduct for Directors and Employees.”
2. Consider and decide on possible conflicts of interest.
3. Know any situation which, by its particularities, could be in conflict with the interests of the Company and/or any of the companies that are part of *Grupo Empresarial*

Conflicts of interest may be sporadic or permanent. If the conflict of interest is permanent, and the Committee considers that this situation affects the whole of the Company’s operations, it should be understood as grounds for a mandatory resignation by the affected party, since it is impossible to hold the position.

Communications about possible conflicts of interest and other situations that, due to the principles of integrity, honesty and transparency, must be reported to the Committee, shall be addressed to the *Grupo Empresarial* Vice President General Counsel , who shall acknowledge receipt thereof and report on the Committee’s decision within fifteen (15) business days.

The members of the Board of Directors, Legal Representatives and other Directors of the Company shall inform the Committee on the direct or indirect relations maintained among



them, or with other entities or structures belonging to *Grupo Empresarial* or the issuer, or with suppliers, or with clients or with any other stakeholders, from which conflicts of interest may arise or influence the direction of their opinion or vote, thus constructing a “Related Parties Map”³ of the Administrators.

The Committee will share the cases of greatest relevance with the Board of Directors, for its respective analysis.

The conflicts of interest that require members of the Board or any other Administrator to refrain from attending a meeting and/or voting will be reported annually through the Company’s Webpage.

ARTICLE 45 – ANONYMOUS COMPLAINT (WHISTLEBLOWER) POLICY

To improve the Company’s administrative and financial systems, practices and policies are required that provide transparent management in the implementation of its operations as well as additional mechanisms and channels to ensure the timely reporting of irregular situations that go against the law, the Bylaws and the Corporate Governance Code. Therefore, the Company has adopted a strategy to achieve this by establishing a specialized reporting line that will strengthen the *Grupo Empresarial* philosophy of transparency and communication with its related public.

The Ethics Hotline is a confidential channel operated by an independent entity, through which employees, shareholders, clients, suppliers and third parties in general may report situations that go against the Law and the Corporate Governance Code of our Company, as well as possible violations of human rights by employees or people in the different stakeholders.

The Audit and Control Manager of the *Grupo Empresarial* shared-services company has a protocol to handle reports of anomalies received, which guarantees objectivity, promptness and discretion. The report of these reports or complaints is presented to the Company’s Finance, Audit and Risk Committee, which, in turn, informs the Board of Directors.

Anyone who has knowledge of an irregular situation and believes that it should be reported will refrain from making it known by any means other than the Ethics Hotline. Reporting is voluntary, anonymous and confidential, as it is not mandatory to provide personal information and may be made by phone (national toll-free: 01 – 8000 – 518 – 188; in Medellín: 360 – 9089; or by email: lineaetica@serviciosnutresa.com).

³ “Related Party” shall be understood according to the definition in IFRS 24.



Situations that may be reported through the Ethics Hotline are, among others:

- Misappropriation or misuse of assets of the Company or its subsidiaries.
- Conflicts of interest
- Participation in activities, businesses or operations contrary to the law.
- Business practices against the interest of the Company or its subsidiaries.
- Abuse of the status of Administrator or employee of the Company or its subsidiaries, for his or her own benefit.
- Misuse of confidential information.
- Acceptance of gifts, favors, invitations, travel, bribes, payments and, in general, perks that could influence their business decisions or operations in direct or indirect benefit of any employee of the Company or its subsidiaries.
- Falsification of contracts, reports or records.
- Situations of disloyalty to the organization.
- Other activities or behaviors that are carried out against the interests of *Grupo Empresarial* the Bylaws and the Corporate Governance Code.

ARTICLE 46– NON–COMPLIANCE WITH THE PROVISIONS IN THIS CODE

Any officer or employee, who fails to comply with any provision herein, whether actively or by omission of his or her duties, will incur in a serious violation of his or her work contract, which will enable the Company, according to the gravity of the fault, to terminate the contract through just cause. For the purpose of graduating the penalty, factors such as reoccurrences, losses to the Company or to its customers, and violations of limits, among others, will be taken into account. This provision will be included in all work contracts.

ARTICLE 47– DISCLOSURE OF THIS CODE

For the purpose of making this Code known to the Company employees, its shareholders and investors and to the market at large, the Code will be published on the Company



Website and/or via any other electronic means that the Company may have available for such a purpose.⁴

⁴ Last edition - January 2016