

CODE OF GOOD GOVERNANCE

ODINSA S.A.



ODINSA

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1. GENERAL CONSIDERATIONS

1.1. PURPOSE

This code is a letter to shareholders, the securities market and the general public which stipulates ODINSA's business guidelines, in an effort to communicate the Company's commitments regarding the management of its operations to those who are interested in investing in the securities issued by the Company.

Accordingly, the purpose of this Code of Good Governance is to take action in terms of the Company's management, its management practices and the behavior of its officials, its information, and public knowledge of its management, in order to guarantee the rights of shareholders, or investors in any other securities issued by the Company.

1.2. SCOPE

All actions by shareholders, managers, and directors must be included within the provisions of the Code of Good Governance.

1.3. INTERPRETATION AND AMENDMENTS

In case of doubt in the application of this Code of Good Governance, the Vice President for Legal and Institutional Affairs will initially be responsible for offering clarity and guidance to the provisions thereof. If doubts or gaps in the interpretation of the Code of Good Governance continue, the Sustainability and Corporate Governance Committee will be called to evaluate them and recommend the solutions that may be required. Notwithstanding the foregoing, in the event that the subject requires specific expertise, the Committee shall consult the relevant advisors. Similarly, for the interpretation of the terms used in this Code please consult the Glossary of Terms set out in the Code of Best Corporate Practices, Country Code, by the Financial Superintendence of Colombia.

Notwithstanding the foregoing, the Company's Board of Directors will be the competent body responsible for any adjustments, amendments or repeals regarding the provisions stipulated in this Code of Good Governance.

2. THE COMPANY

2.1. NATURE OF THE COMPANY

The Company is a limited commercial corporation, incorporated by public deed No. 1920 before Notary 42 of Bogota on July 16, 1992, and registered on August 6, 1992 under No. 374041 in the Chamber of Commerce Bogotá, with its headquarters in the city of Medellin, Antioquia, and is a Grupo Argos S.A. subsidiary.

2.2. CODE OF BUSINESS CONDUCT

Odinsa S.A.'s Code of Business Conduct is an integral part of our best practice guidelines. This Code gathers together the principles that govern the Company and that should guide employee, management, supplier and contractor behaviors.

The Code of Business Conduct is published on the Company's website.

3. GOOD GOVERNANCE PRINCIPLES REGARDING SHAREHOLDERS AND OTHER INVESTORS

All Shareholders and Investors have, among others, the possibility of exercising their rights under the Law, the By-laws or the corresponding prospectus, make observations regarding Management and prepare proposals that are relevant and legal regarding the best performance for the Company.

ODINSA S.A., due to the respect it has for its shareholders and investors, agrees to:

- a) Recognize and defend their rights;
- b) Provide them with timely and comprehensive public information and relevant information required to make decisions, in compliance with the guidelines set out in the Policy for Shareholder and Investor Relations adopted by the Board.
- c) Plan and execute the general meetings in order for them to participate according to their rights as titleholders.
- d) Grant fair and equal treatment to those who are in equal conditions.
- e) Make recommendations on the Company's good governance.

Specific Shareholder Rights:

- a) In the case of shareholders with voting rights, participate and vote at the General Shareholders' Meetings regarding the decisions made therein, as well elect the corresponding bodies and persons in accordance with the law and the By-laws.
- b) Make recommendations for the improvement of the Company's corporate governance.
- c) Participate from the Company's benefits, in proportion to their participation and subject to the conditions stipulated in the corresponding Issue and Placement Regulations, when applicable.
- d) Request authorization from Company Management to order Specialized Audits, on matters other than those audited by the Company's Statutory Auditor, at the expense of the Company and under the responsibility of the Shareholder.

For purposes of conducting such audits the following procedure shall apply:

- i. The shareholder or group of shareholders representing at least 5% of the subscribed capital of the Company may request that the Company carry out a Special Audit by means of a written communication addressed to the Vice President for Legal and Institutional Affairs.
- ii. The aforementioned communication must include (i) the firm appointed to perform the audit; (ii) the reasons and underlying facts for carrying out the audit (iii) specific issues to be audited and the information required; and (iv) the duration thereof. In no case will general, indeterminate or ambiguous applications be admissible.
- iii. Audits should be carried out during the period between the announcement and the business day prior to the ordinary session of the General Shareholders' Meeting.
- iv. The firm appointed to carry out the audit must meet the same qualifications required for the Company's Statutory Auditor and prove that it meets independence criteria from competitors and / or litigious counterparts.
- v. When the percentage required for the Special Audit request is comprised of a plural number of shareholders, the application must include an appointed representative who will be responsible for the whole procedure.
- vi. In no case will these be conducted regarding industrial secrets, insider information or information subject to confidentiality agreements.
- vii. Specialized audits may only cover the assessment of information and documents which are in the possession of the Company and are no older than 5 years.
- viii. Both the shareholders requesting the audit and the firm appointed to perform it must sign a confidentiality agreement with the Company.
- ix. Working papers supplied to the firm performing the audit and the results thereof, will be subject to confidentiality and will remain in the possession of the Company. The Company reserves the right to take the necessary measures to guarantee the confidentiality of the documents and the disclosure of information.
- x. The results of the specialized audit will be announced to the Board at the next meeting from the date of receipt, in order to determine whether they must be provided to the other shareholders, as provided in this Code.

- xi. For no reason, on the pretext of specialized audits, will the violation of Company rights, its information, contracts that offer a competitive advantage, or any documents deemed privileged or confidential or owned by a third party be allowed.
 - xii. In no case may they represent impairment to the autonomy of the Directors, in accordance with legal and statutory powers.
- a. In those cases in which an operation may result in the dilution of capital of minority shareholders, these must receive a detailed explanation of said operation, within the term for the exercise of inspection, in a previous report presented by the Board, which must be accompanied by a review of the terms of the respective transaction, issued by an independent external adviser with recognized creditworthiness, which will be appointed by the Board of Directors

3.1. EQUAL TREATMENT OF SHAREHOLDERS AND INVESTORS

In order to guarantee equal treatment of Shareholders and Investors, the Company will follow these rules:

- a. The Board shall ensure that all Company shareholders and investors receive equal and fair treatment in comparison to shareholders or investors with equal conditions, and therefore ensure that each one obtain timely and complete responses to the concerns submitted regarding mandatory disclosure matters or those which are not prohibited by any legal or contractual confidentiality restrictions; the issuance and cancellation of their securities, if any; and the complete and timely payment of Company dividends and profits, among others, according to the provisions agreed to or ordered by the relevant corporate body.
- b. The following are prohibitions directed to Company officers and directors, in order to ensure equal treatment to all Shareholders. Therefore they must refrain from:
 - Encouraging, promoting or suggesting that Shareholders sign powers of attorney which do not clearly stipulate the name of the proxy representing them at the Shareholders' Meetings.
 - Receiving special powers of attorney from Shareholders before the Meetings are convened.
 - Accepting as valid those powers of attorney conferred by the Shareholders, which do not complete with the legal requirements; i.e. that the powers must be granted in writing, stating the name of the proxy, the person whom can replace him, and if necessary, the date or time of the meeting. Legal entities that grant powers of attorney, must attach a recent certificate attesting their existence and representation in accordance with the law.
 - Suggesting or determining the name of those who act as representatives at the Shareholder's meetings.
 - Recommending that shareholders vote for a certain Board of Directors' list.
 - Suggesting, coordinating or agreeing with any shareholder or any shareholding representative, the presentation of proposals to be submitted for consideration at the meeting.
 - Suggesting, coordinating or agreeing with any shareholder or any shareholder representative, voting for or against any proposal that is presented therein.

The actions described are also prohibited when taken through an intermediary.

In accordance with the provisions stipulated by Law, Company directors and employees may not exercise power of attorney in order to represent actions outside the General Shareholders' Meetings, nor replace the powers conferred upon them. They may not vote, even with their own shares, decisions aimed to approve the year-end or liquidation balance sheets and accounts.

In any case, Company directors or employees may exercise any political rights inherent to their own shares and those they represent when they act as legal representatives. The manager who in turn is a shareholder of the company, and decides to represent his/her shares at a Shareholders Meeting or be represented by granting a power of attorney

to a third party must expressly inform of this condition, when requesting his/her credentials or in the respective power of attorney, on order for that vote to not be taken into account for the approval of the financial statements.

- c) Will publish the rights and obligations inherent to the Shareholder or Investor on its website.
- d) Will publish the classes of shares and securities issued, the number of shares and securities issued and reserved on its website.

3.2. GENERAL SHAREHOLDERS' MEETING

The General Shareholders' Meeting is the highest corporate body, and is composed of the Company's shareholders. It must hold ordinary meetings once a year and as many extraordinary meetings as required for the proper fulfillment of the duties assigned to it in the Bylaws.

The operation and convening of the Meeting is governed by the provisions stipulated by Law, the Bylaws and this Code.

3.3. REGULATIONS FOR THE GENERAL SHAREHOLDERS' MEETING

3.3.1. Meetings

The General Shareholders' Meeting meets ordinarily once a year, within the first three (3) months of each year. The date, time and place for the Meeting shall be clearly indicated in the call.

The General Shareholders Meeting also holds extraordinary sessions, where required due to Company's unforeseen or urgent needs, or when convened by the Board, the Legal Representative, or the Auditor.

All members of the Board of Directors will attend the General Shareholders Meeting, especially the chairmen of the various Board committees and President of the Company, in order to address Shareholder concerns.

No notice is required when all of the outstanding shares are represented.

3.3.2. Convening Meetings

The terms for convening the meetings, provided for in the Bylaws, will be observed. The call will be made according to the means established in the Bylaws and in the following rules:

- a) The call, the proposals by the Administration regarding each point on the agenda, as well as relevant information for decision-making that can be known to the general public, will be published on the Company's website.
- b) Without prejudice to the Shareholders' right to submit proposals during the meetings, each issue on the agenda will be addressed so as not to be confused with others, giving the agenda a logical sequence, except for those issues to be discussed jointly due to their relationship, a fact that will be notified in advance.

In no case will issues such as "Miscellaneous" or "Others" be included in the call, or any other that does not allow for previous knowledge of all the issues to be addressed in the respective meeting.

- c) Within the five (5) calendar days following the date of the call, Shareholders, may submit one or more items to be included in the General Shareholders' Meeting agenda or submit new proposals, by means of a written and duly substantiated communication.

In the event that the Board dismisses the request, it shall do so in writing, and include the reasons for its decision. This obligation will only be required for requests that have been submitted by shareholders representing at least 5% of the subscribed capital.

In the event that the Board approves the request, one day after the 5 calendar days from the date of the call, a supplement to the initial call will be published, or at least fifteen (15) calendar days prior to the General Shareholders' Meeting.

- d) Whenever the General Shareholder Meeting has to address a substantial change of corporate purpose, waive the right of preference in the subscription of shares, change of registered office, early dissolution or segregation of the Company, such issues must be specifically indicated in the call.

Additionally, in these events, the right of withdrawal in the same terms and conditions set forth by law for events such as mergers and divisions will be allowed.

- e) Whenever Company Bylaws need amending, the articles or group of articles, which are substantially independent, must be voted on separately.
- f) In the event that a shareholder or group of shareholders representing at least 5% of the outstanding shares, request that an item be voted on separately during the Meeting, it must be done. This right shall be duly explained in the call.

3.3.3. Operation of the General Shareholders' Meeting

- a) The meeting will be conducted in strict accordance to the agenda proposed in the call. Once the agenda has been completed, any Shareholder may propose that a new issue be included; however it will only be addressed if approved by a majority of the votes present at the meeting.
- b) The meeting will be chaired by the Chairman of the Board or in his absence by any person appointed by the General Shareholders' Meeting; the Company's Secretary General will act as Secretary.
- c) All members of the Board of Directors will attend the General Shareholders Meeting, especially the chairmen of the various Board committees and President of the Company, in order to address Shareholder concerns.
- d) Whenever commissions need to be formed for the approval of Minutes, the verification of votes or similar events, in the case that they are not elected unanimously, these will be formed by the electoral quotient system.
- e) Once each of the items on the agenda has been presented, and before voting, the President shall give the floor to the Shareholders to formulate any questions or comments they consider relevant.
- f) In order to involve all Shareholders, interventions can last no longer than 10 minutes each.
- g) When deemed necessary, Shareholders may submit to the Investor Relations Office any questions they wish addressed at the Meeting.
- h) The Shareholder who for any reason has a special interest or a conflict with the Company in relation to a specific topic should disclose it when registering at the Meeting and refrain from participating in the discussion and voting on the issue.

3.3.4. Access to Information by the Shareholders

Within the term of notice in the case of ordinary General Shareholder's Meetings, and in accordance with the provisions stipulated regarding the right of inspection in the Commercial Code, all documents relating to matters and issues to be addressed as well as the Company's financial information, shall be made available to shareholders when required for decision-making. They may also request any information and clarifications they deem appropriate, and ask any questions that arise in relation to the matters on the agenda and the available documentation.

Requests for information from shareholders may be refused if, according to the internal procedures of the Company, it is considered that the information requested i) is not relevant or, ii) does not apply to information regarding the progress or the interests of the Company, iii) is confidential, which includes privileged information on securities, trade secrets, and any ongoing operations whose successful completion materially depends on the confidentiality therein, or iv) other information whose disclosure generates an imminent risk the competitiveness of the Company.

If any of the answers given to any shareholder offer him/her an advantage, the Company guarantees the other shareholders under the same conditions access to that reply.

Regarding access to information by shareholders in the case of extraordinary meetings, the documentation relevant to the matter to be discussed at the respective extraordinary general meeting, will be made available to the Shareholders within the term of notice; however they will not have access to Company books or financial information that is not strictly related to the matter open for discussion in the respective extraordinary meeting.

Directors who hinder the exercise of the right of inspection and / or the Auditor who knowing of that breach abstains from reporting it in a timely manner, will incur in grounds for removal.

3.3.5. Quorum and Majorities

The General Shareholders' Meeting will deliberate with a plural number of shareholders representing at least half plus one of the subscribed shares.

As a rule, the decisions by the General Shareholder's Meeting shall be adopted by a majority of the votes corresponding to the shares represented at the meeting, given that each share is entitled to one vote, with the exceptions stipulated by Law and the Bylaws.

3.3.6. Representation

Shareholders may be represented before the Company for deliberation and voting at the General Shareholders' Meeting, to collect dividends and any other effect, by written authorization, in accordance with the Law and within the terms and conditions outlined in the Bylaws.

During the term of the notice, the Company will publish the Regulations on Powers of Attorney on its website which indicate in detail the conditions and characteristics that the powers of attorney must fulfill in order to be considered valid, as well as templates suggested, which include the proposed agenda for the meeting, the proposals submitted by the Administration and the express indication that the Company shall not be responsible for verifying that the proxy meet the voting instructions given by the Shareholder.

4. PRINCIPLES OF GOOD GOVERNANCE REGARDING MANAGEMENT

4.1. OPERATIONAL PRINCIPLES FOR SENIOR MANAGEMENT

The following are the duties of the Senior Managers:

- a) Act in good faith, with integrity, loyalty, due diligence and care, always ensuring that their decisions are in the best interest of the Company and its shareholders.
- b) In their decision-making process, treat the different groups of shareholders and investors in an equal and fair manner.
- c) Promote compliance with applicable laws, the Bylaws, the Code of Good Governance and other rules and regulations accepted by the Company.
- d) Maintain strict confidentiality of information and documents to which they have access in the exercise of their duties, refrain from using them for personal or third party gain, especially when related directly or indirectly to the strategic plans of the Company, even after ending their term as a member of the Board.
- e) Refrain from misusing inside information.
- f) Refrain from using Company assets for personal use, or using their position to obtain a financial advantage.
- g) Objectively and independently exercise their opinions.
- h) Keep abreast of the Company's plans, strategies and objectives, its financial and operating conditions, important business segments and the risks associated therein.
- i) Actively participate in board meetings and the committees to which they belong, and review and analyze the study material in advance, which Management will provide, in an adequate and timely manner.
- j) Refrain from participating directly or through an intermediary, for personal or third party interest, in any activity that involves competition for the Company or in acts in which there is a conflict of interest.
- k) Adequately disclose any conflicts of interest with the Company. Be very attentive and careful in handling any of these events, describing the situation during a formal session of the Board of Directors, documenting the conflict and refraining from voting on the matter. To this end, the Directors must inform the Board of any relationships, direct or indirect, they have with the Company, suppliers, customers or any other stakeholder from which a conflict of interest may arise or influence the direction of their opinion or vote.

The following are the rights of the Directors:

- a) Receive and request information required for the proper performance of their duties, as well as to have prior access to all information related to the matters to be discussed at Board or Committee meetings.
- b) Hire, as a collegial body, external advisors when deemed necessary for the proper performance of their duties.
- c) Receive remuneration for their work, according to the criteria set out in this Code and the Remuneration and Appointment Policy set out by the Board.
- d) Receive an induction on the Company and its subsidiaries.
- e) Receive ongoing training regarding relevant economic sectors, global trends in business development and other issues that may be relevant for the proper performance of their duties.

4.2. BOARD OF DIRECTORS

4.2.1. Structure

The Board consists of seven (7) members which have no alternate, elected by the General Shareholders' Meeting for periods of two (2) years, as provided in the Company Bylaws.

Whoever acts as legal representative for the Company may not serve as Chairman of the Board.

4.2.2. Selection Criteria for Members of the Board of Directors

The General Shareholders' Meeting shall consider the following regarding the election of Board of Directors' members, in addition to the recommendations made by the Appointments and Remuneration Committee:

- a) Members may not be older than 72 years of age, must have previously participated in Boards and provide professional expertise that is relevant to the activity performed by the Company. This paragraph is understood as valid from the date in which the General Shareholders' Meeting decides on the structure of the Board of Directors of the Company, after the approval of this Code.
- b) When the Board of Directors is structured, there will be an effort to include Independent members with experience in corporate finance and / or internal control, to be appointed to the Audit Committee.
- c) All Board Members must have basic skills that enable them to adequately exercise their duties. These include: analytical and managerial skills, a strategic vision of the business, objectivity and ability to present their point of view, and ability to evaluate senior management cadre. Additionally, they must have the ability to understand and question financial information and business proposals and to work in an international environment.
- d) In addition to these basic skills, each member of the Board will have other specific skills, enabling them to contribute in one or more dimensions, due to their special knowledge of the industry, financial, risk, legal or trade issues, or crisis management.
- e) At least 25% of the Members elected for a certain period must meet the requirements to be considered as independent members, and as such must state this at the time they accept to be included in a list. A member is considered independent when:
 - Neither he/she nor his/her personal relations¹ are employees or officers, of the Company, its parent company or subsidiary companies, or have been employees or officers during the immediately preceding five years, except in the case of the re-election of an Independent Member.
 - Neither he/she nor his/her personal relations or the companies in which he/she is a majority shareholder, hold more than 10% of the outstanding shares, or is a shareholders who directly or by virtue of an agreement, guides or controls the majority of the voting rights of the Company, its parent or subordinate company, or determine majorities in the governing bodies, management or control of the Company, its parent or subordinate company.
 - Neither he/she nor his/her personal relations or the companies in which he/she is a majority shareholder are partners or employees of associations or companies that provide consulting or advisory services to the Company, its parent or subsidiary companies, when revenues for this concept represented 20% or more of his/her operating income from the previous year.

¹ Relatives up to third degree of kinship, second degree of affinity and one degree of civil

- Neither he/she nor his/her personal relations are employed by a foundation, association or company that receives significant donations from the Company².
- Neither he/she nor his/her personal relations are managers for an organization in which a legal representative of the Company is a member of the board of directors.
- Neither he/she nor his/her personal relations receive from the issuer any fees other than those as a member of the Board, the Audit Committee or any other committee created by the Board of Directors.
- Neither he/she nor his/her personal relations or companies in which he/she is a majority shareholder, are partners or employees of the Company's Statutory Auditor firm or Internal Auditor, its parent or subordinate companies, or have been during the past three years.
- Neither he/she nor his/her personal relations are employed by a company in which any of the directors of the Company are members or have been members during the past three years of the Appointments and Compensation Committee, for the Company in which the Director or personal relations are employed.

Paragraph: Independent Members will lose their status as such when they have maintained that status for three consecutive terms.

4.2.3. Election and Structure of the Board of Directors

The Company's Board of Directors is elected by the General Shareholders' Meeting. It will always consist of an odd number of members sufficient for the proper performance of their duties, and have no alternate members.

Board Members may be (i) Executive Members, individuals with an employment relationship with the Company, (ii) Independent Members, persons demonstrating compliance with the requirements set forth in paragraph e of section 4.2.2 of this Code, or (iii) Equity Members, shareholders of the Company or persons expressly appointed by a shareholder or group of shareholders.

The electoral quotient system and other provisions contained in the Bylaws and the Law will be applied for the election of Board members or any collegial commission.

Prior to the notice, Shareholders will be informed through the Company's website of the candidates' recommended professional profiles, according to the assessment made by the Appointments and Remuneration Committee.

In order to ensure that the Members meet with the profile proposed by Shareholders as set out in this Code, the Appointments and Remuneration Committee will evaluate each of the proposals presented and give its opinion before the General Shareholders' Meeting in which the election will take place; this opinion will be published on the Company's website.

In order to comply with the provisions stipulated in the preceding paragraph, the candidates proposed for the Board must be submitted at least five (5) business days prior to the date set for holding the Shareholders' Meeting.

Information on the Directors must be published on the website, including the indication of the category to which they belong (Independent, Executive or Equity), as well as their resumes, statements of independence, for those who apply, and summary of the performance evaluation by the Board.

4.2.4. Incompatibility

² Significant donations are those which represent 20% or more of total donations received by the corresponding Company within the specific year.

There will be no decisive majorities in the Board formed by Executive Members.

There may not be any majority formed by individuals related by marriage or kinship within the third degree of consanguinity or second of affinity or first degree of civil.

4.2.5. Term

The elected Directors will have terms of 2 years and may be reelected indefinitely. Directors can be reelected and freely removed by the General Shareholders' Meeting before the expiration of their term.

4.2.6. External Advisors

The Board may order Management to hire external consultants to serve the Board, other than those hired by the Management, when it considers it convenient for the better performance of their duties.

4.2.7. Internal Regulations

4.2.7.1. Chairman and Vice-Chairman of the Board of Directors

The Board of Directors will elect a Chairman and a Vice Chairman from its members. In their absence another member elected by the Board will preside.

The Chairman of the Board of Directors has the following duties:

- a) Ensure that the Board set and efficiently implement the strategic direction for the Company.
- b) Promote government action, acting as a liaison between Shareholders and the Board.
- c) Coordinate and plan the operation of the Board of Directors through the establishment of an annual work plan based on the duties assigned.
- d) Carry out the convening of meetings, either directly or through the Secretary of the Board.
- e) Prepare the agenda for the Meetings, in coordination with the President of the Company, the Secretary of the Board and the other members.
- f) Ensure that the information is delivered in a timely manner to the Members of Board of Directors, directly or through the Secretary of the Board.
- g) Chair the Meetings and facilitate the debates.
- h) Ensure the implementation of the agreements of the Board and monitor their orders and decisions.
- i) Monitor the active participation of members of the Board.

4.2.7.2. Duties of the President of the Company regarding the Board of Directors

In addition to the duties established by Law, the Bylaws and other internal regulations or codes, the President of the Company has the following duties regarding the Board, which he/she shall exercise directly or through a representative:

- a) Implement the decisions of the Board of Directors.
- b) Adopt decisions related to the financial statements of the Company in accordance with the Law, with established accounting standards and the provisions stipulated by the Board of Directors.
- c) Convene extraordinary meetings for the Board of Directors.
- d) In conjunction with the Board, present a written management report at the ordinary session of the General Shareholders' Meeting, including the actions recommended to the Shareholder's Meeting and submit the balance sheet, complete details of the income statement and the other annexes and documents required by Law. The financial statements shall be certified in accordance with the Law. This report will include, among others, a description of the

risks inherent to the activities carried out by the Company, and other material aspects of the operation, according to current standards.

- e) Provide information to the Board in a clear, accurate and timely manner.
- f) Immediately and in detail disclose to the Board any conflicts of interest they may have.
- g) Submit to the Board the information related to the performance of the Company, especially regarding corporate strategies, associated risks, and financial and management reports.
- h) Fulfill the duties that may be appointed by the Board.

4.2.7.3. Secretary for the Board of Directors

The Secretariat of the Board will be in charge of the Company's Secretary General, whose appointment and removal shall be in accordance with the provisions set forth in the Bylaws.

In addition to the duties established by Law, the Bylaws, the Board of Directors and other internal regulations or codes, the Secretary of the Board has the following duties, which he/she shall exercise directly or through a representative:

- a) Call the meetings, according to the Action Plan adopted by the Board.
- b) Deliver information to the Directors accurately and in a timely manner.
- c) Safe keep corporate documentation, duly include in the Book of Minutes all that occurs in the sessions, and attest to the agreements of the governing bodies.
- d) Ensure that the actions of the Board comply with the applicable rules, and that its procedures and rules of governance are respected and regularly reviewed in accordance with the provisions stipulated in the Bylaws and other internal regulations of the Company.
- e) Address any conflicts of interest arising in the Company and that must be known to the Board.
- f) Report to the Board on the share registration system and control situations.
- g) Provide legal advice to the Board and report on legal issues of material importance to the Company's activity and management.
- h) Communicate the decisions of the Board of Directors to the different areas and officers of the Company.
- i) Fulfill the duties that may be appointed by the Board.

4.2.7.4. Meetings

According to the Bylaws, Board meetings will be held at least once a month. However, when special circumstances warrant, extraordinary meetings may be held when they are notified in accordance with the Bylaws.

The Board shall meet at least once a year, in a special and extensively prepared session to analyze, evaluate and decide on the planning and strategies of the Company.

During the first meeting of the year, after the ordinary session of the General Shareholders Meeting, the Action Plan for the respective year will be defined, setting meeting dates throughout the year and matters to be addressed in each one. The Directors, by means of a notice sent in advance to the Chairman of the Board with no less than 3 business days from the date scheduled for a particular meeting, may request the inclusion of additional items on the agenda.

4.2.7.5. Quorum and Majorities

The Board will validly deliberate and decide wherever it determines, with the presence and the votes of a majority of its members.

4.2.7.6. Meetings where Management is not present

The Board, as a body, can hold the meetings it deems necessary without the presence of Management officials. These will take place when determined by the Board and its decisions will be valid provided they comply with the requirements set forth by the Law and the Bylaws.

4.2.7.7. Criteria to determine remuneration for Directors

The General Shareholders' Meeting should take into account the structure, duties and responsibilities of the Board for purposes of determining the remuneration of its members, as well as the personal and professional qualities of its members, the time devoted to their activity and their experience.

The remuneration of the Chairman of the Board may be higher, due to the scope of his/her specific duties and the time required.

Independent or Equity members are entitled to receive additional remuneration for their participation in the committees that support the Board. The amount of this remuneration shall be approved by the Board.

The Appointments and Remuneration Committee is responsible for preparing and proposing to the Board the Appointment and Remuneration Policy in order to submit it for approval by the Shareholders. Said policy should be reviewed annually by the General Shareholders' Meeting.

4.2.7.8. Availability

It is expected that each members of the Board devote time and attention to his/her responsibilities, attend, prepare and actively participate in the Board and Committees meetings to which he/she has been appointed.

The Annual Corporate Governance Report, which must be published on the Company's website, includes a report on the attendance of directors to Board and Committee Meetings. Directors must annually attend at least 80% of the meetings convened.

4.2.7.9. Performance Assessments

The Board as a body and each of the directors individually will be assessed annually, alternating external assessment with self-assessment. The external evaluation will be carried out by an independent firm.

A summary of the conclusions of said assessments will be published on the Company's website.

The evaluation scheme adopted will try to include peer reviews and an analysis of the reasonableness of internal rules, as well as of the dedication and performance of the Directors.

Management will inform the General Shareholders' Meeting on the operation and the main activities developed by the Board, the Board Committees and the President of the Company during the previous period.

4.2.7.10. Director Training and Induction

New directors must go through an induction process in which they receive instructions on at least the following aspects:

- The Company's organizational chart and duties of each area
- Company Bylaws
- Code of Good Governance, with special emphasis on their duties and obligations as Directors
- Structure and operation of the Board of Directors' support committees
- Board of Director's Action Plan

- Corporate strategy
- Specific features of the sectors in which the Company and its subsidiaries operate
- Risks associated with the activities carried out by the Company and its subsidiaries.

Management will design and implement a training plan for Directors, through which they will remain updated regarding the Company and its subsidiaries, the business in which they participate and the associated risks.

4.2.7.11. Access to Company Officials and Facilities

The Board and each of its members will have direct access to senior executives and other officials when they deem it necessary to carry out their tasks.

Likewise, Directors may access any of the Company's facilities in the country or abroad, in order to understand the activities of the Company, its operation, personnel assigned to different areas, and in general to gain better knowledge of the operation.

4.2.8. Board of Directors Support Committees

The Board will have three support committees in accordance with the Law, the Bylaws and the decisions of the Board. These committees will be made up of independent or equity directors and will be chaired by one of its members. The Board will consider each Director's profile, knowledge and related professional experience when appointing them to each committee. The appointment will be for the same period provided for the appointment of the Board.

Attendance is mandatory for Company officers who form part of any Board committees.

Any officer of the Company or external consultant may attend the Committee Meetings, in order to support members in matters within their competence.

Decisions, resolutions and deliberations of the Committees will be recorded in minutes that will be sent to all other members of the Board.

If during the course of an ordinary meeting, the Chairman of the General Shareholder's Meeting requires it, the chairmen of the committees will report to the General Shareholder's Meeting on specific aspects of the work carried out by the respective Committee.

4.2.8.1. Audit, Finance and Risk Committee

The main purpose of the Committee is to evaluate accounting procedures, manage the relationship with the Statutory Auditor and monitor the effectiveness of the control architecture and risk management system.

The Committee directs and monitors that the internal control procedures meet the needs, objectives, goals and strategies determined by the Company and that such procedures are framed within the internal control objectives, such as efficiency and effectiveness in operations, and sufficiency and reliability in financial reporting.

The Committee does not replace the Board or Management in its duties regarding monitoring and implementing of the internal control system.

The Committee shall adopt its own operational regulations and may include additional duties to those provided for in this Code.

4.2.8.1.1. Members

The Committee will include one Equity Member and two Independent members who have accounting and financial knowledge. Among the members of the Committee at least one must have experience in corporate finance and / or matters relating to the design and implementation of internal control systems. The Chairman of this Committee may be any of its independent members as appointed by the Committee. The Secretary General of the Company or whoever he/she appoints will act as Secretary to this Committee. In addition, the President of the Company, the CFO, the Internal Auditor and the Statutory Auditor will attend these meetings, with the right to speak but not vote.

4.2.8.1.2. Duties of the Committee

Without prejudice to the duties set out in the respective Internal Regulations, the duties of the Committee shall include:

- a) Suggest to the Board candidates for the appointment for Statutory Auditor, the conditions of the contract and, where appropriate, its renewal or not, for submission to the General Shareholders Meeting, using for said purpose the results of the assessment referred to in the following paragraph.
- b) Oversee the services rendered by the Statutory Audit, which includes evaluating their quality and effectiveness.
- c) Interact and maintain regular contact with the Statutory Auditor and, in particular, assess and report to the Board on all situations that may limit their access to information, jeopardize their independence and any other related to the audit plan and the development of the financial audit and other communications provided in financial auditing legislation and technical standards.
- d) Receive the final financial audit report and study the financial statements for the consideration of the Board without prejudice to the duties assigned by Law to the Auditor and Senior Management. In case they contain exceptions or unfavorable opinions, the Committee shall issue an opinion on its content and scope, which will be published for shareholders and the general public on the Company's website; and verify that senior management takes into account the recommendations of the Auditor and, if appropriate, lead the process to respond to the comments included in the report.
- e) Ensure that current accounting standards are properly applied in the preparation of the financial statements that the Board submits to the General Shareholders' Meeting as well as in the preparation of reliable internal information for decision-making.
- f) Understand and assess the process for preparing, presenting and disclosing financial information. In performing this duty the Committee may issue instructions regarding accounting policies and the opportunity to present information requested from the subordinate companies.
- g) Monitor the efficiency of the regulatory compliance and the prevention of money laundering and terrorist funding activities.
- h) Verify that the periodic information offered to the market is prepared in accordance with the same principles and professional practices as the annual accounts, and review said information prior to its publication.
- i) Suggest to the Board, the structure, procedures and methodologies necessary for the operation of the internal control system.
- j) Understand and assess the Company's internal control system.
- k) Monitor and regularly report to the Board on the effective implementation of the Company's risk policy, in order to identify, manage and appropriately disclose the main risks, both financial and non-financial, and those included in the balance sheet and the off-balance sheet.
- l) Supervise the internal audit services and report to the Board.
- m) Suggest to the Board the selection, appointment, remuneration, reappointment and removal of the head of internal audit.
- n) Analyze and approve the internal audit Annual Work Plan and the annual activity report.
- o) Ensure the independence and effectiveness of the internal audit operation, receive regular information on its activities and verify that senior management takes into account the conclusions and recommendations of its reports.
- p) Review compliance with the actions and measures that result from the reports or inspection activities performed by the supervisory and control authorities.

- q) Assess and report to the Board any situations regarding conflicts of interest, temporary or permanent, in which it may be involved directly or indirectly or through a related party, a Shareholder, members of the Board of Directors and Senior Management, and present the recommendations required to manage the situation.
- r) Assess and report to the Board any situations regarding possible conflicts of interest, temporary or permanent, in which it may be involved directly or indirectly or through a related party, a Shareholder, members of the Board of Directors and Senior Management, and suggest mechanisms to manage the situation.
- s) Prior to its approval by the Board, examine and report on any operations carried out by the Company, directly or indirectly, by members of the Board of Directors, Controlling and Significant Shareholders and members of senior management, which due to their amount, nature or conditions could pose a risk to the Company.
- t) Periodically monitor the degree of compliance with the Code of Ethics and the effectiveness of the line of transparency, assessing any unethical actions presented as well as the content of the allegations, and present to the Board the corresponding recommendations.
- u) Review and assess the integrity and adequacy of the Company's risk management operation.
- v) Review the appropriateness of economic and regulatory capital and its allocation to the various lines of business and / or products.
- w) Review risk limits and risk reports, and present to the Board the corresponding recommendations.
- x) Suggest to the Board the Company's risk policy.
- y) Systematically assess the Company's strategy and general risk policies by establishing limits by type of risk and business, with a level of disaggregation established by business, business group, clients and business areas.
- z) Analyze and assess the Company's ordinary risk management, in terms of limits, risk profile, profitability and capital map.
- aa) Analyze and assess the Company's systems and risk control tools.
- bb) Formulate any improvement initiatives it deems necessary regarding infrastructure and internal control systems and risk management.
- cc) Submit to the Board the proposals regarding the rules for delegating approval of the various types of risk that the Board or other lower levels of the organization must take responsibility for.
- dd) Report to the Board on any operations that need its authorization, where they exceed the powers granted to other levels of the Company.
- ee) At the request of the Board, report on any operations that need its authorization by law, regulation or internal or external provision.
- ff) Assess and follow the instructions made by supervisory authorities in the exercise of its duties.
- gg) Promote the adaptation of the Company's risk management towards a more advanced model that allows for the configuration of a risk profile aligned with the strategic objectives and monitor the adjustment of risk exposures to that profile.
- hh) The Committee Chairman shall submit to the General Shareholders' Meeting the exceptions included in Statutory Auditor Report together with the actions to be taken by Management.
- ii) Provide support to the Board in making decisions pertaining to control and improvement.
- jj) Request the reports it deems appropriate for the proper performance of its duties.
- kk) Reports and observations made by the Committee which are recorded in Minutes, will be presented to the Board at least twice a year or as often as requested.
- ll) When situations of significant importance are identified, the Committee shall submit a special report to the President of the Company.

In order to adequately perform its duties, the Committee shall have access to and / or evaluate at least the following documents:

- Drafts of the Company's financial statements.
- The Statutory Auditor's report on the financial statements.
- Internal control reports issued by the Internal Audit or by the Statutory Auditor and / or letters of recommendations or observations issued by them.
- The Internal Audit and Statutory Auditor Annual Plans.

- The official letters issued by the authorities presenting observations to the Company as a result of identified deficiencies.
- mm) Define mechanisms to consolidate the information presented by the Company's supervisory bodies for presentation to the Board.

4.2.8.2. Appointment and Remuneration Committee

The main purpose of this Committee is to assist the Board in the exercise of its duties associated with the appointment and remuneration of the members of the Board and Senior Management.

4.2.8.2.1. Members

The Appointment and Remuneration Committee shall consist of three (3) Members of the Board. The members of this committee should have knowledge on strategy, human resources and / or wage policy issues and related matters. The President of the Company will attend these meetings, with the right to speak but not vote. The Secretary for this Committee will be the Vice President of Human Resources and Administration or whoever he/she appoints.

4.2.8.2.2. Duties

Without prejudice to the duties set out in the respective Internal Regulations, the duties of the Committee shall include:

- a) Periodically assess the skills, knowledge and experience of the Directors.
- b) Suggest and review the criteria to be followed regarding the structure of the Board and assess the suitability of the candidates for Director suggested by the Shareholders.
- c) Inform, where appropriate, on the qualification of independent of the candidates for Director, for suggestion at the General Shareholders' Meeting.
- d) In cases of re-election or ratification of Directors, present to the General Shareholders' Meeting an assessment of the work performed by the member, and the actual commitment to the position during the last term.
- e) Report to the Board any situation in which a Director is involved that may adversely affect the operation of the Board or the reputation of the Company, in particular when they are involved in situations of incompatibility, disability or legal prohibition.
- f) Suggest to the Board, the Succession Policy for Senior Management and other key executives.
- g) Assess candidates and suggest the appointment and removal of the President of the Company.
- h) Suggest the objective criteria by which the Company hires and pays its key executives.
- i) Suggest to the Board the Appointment and Remuneration Policy for the Board, for approval by the General Shareholders' Meeting as well as the remuneration policy for senior management.
- j) Suggest to the Board, within the framework of the Appointment and Remuneration Policy for the Board, approved by the General Assembly, the individual remuneration amounts for the members of the Board of Directors, including the Chairman of the Board.
- k) Ensure compliance with the Appointment and Remuneration Policy for the Board and the Remuneration Policy for Senior Management, as well as the transparency and disclosure of their salaries.
- l) Periodically review the compensation programs for Directors and Senior Management and make recommendations to the Board.
- m) Prepare the Annual Report on the Appointment and Remuneration Policy for the Board and the Remuneration Policy for Senior Management.
- n) Suggest a Human Resources Policy for the Company.
- o) Design and implement a scheme for attracting and retaining human talent applicable to the Company and its subsidiaries.
- p) Define human resource management policies, determining the selection, evaluation, compensation and development process, including senior management.

4.2.8.3. Sustainability and Corporate Governance Committee

The main purpose of this committee is to assist the Board in its role to suggest and monitor sustainability and corporate governance measures for the Company.

4.2.8.3.1. Members

The Sustainability and Corporate Governance Committee will consist of three (3) members of the Board. The President of the Company will attend these meetings, with the right to speak but not vote, and the Secretary General shall act as Secretary, or whoever he/she appoints.

4.2.8.3.2. Duties

Without prejudice to the duties set out in the respective Internal Regulations, the duties of the Committee shall include:

- a) Ensure that Shareholders and the general public have access to complete, accurate and timely information for disclosure on the Company.
- b) Review and evaluate the manner in which the Board complied with its duties during the term.
- c) Monitor that the requirements and procedures for the election of Directors are met.
- d) Coordinate the induction process for the new Directors and promote their training and updating on issues relevant to the powers of the Board.
- e) Check that the Company's corporate governance practices, the administrative and business conduct and behavior, comply with the provisions stipulated in this Code and other internal and regulatory standards.
- f) Study any amendment proposals to the Bylaws and the Code of Good Governance that are relevant to good corporate governance, and present amendments, updates and repeals of the provisions relating to corporate governance.
- g) Periodically monitor the negotiations notified by the Directors and Managers regarding shares issued by the Company.
- h) Address any Shareholder and investor claims stating that the Company does not apply the corporate governance policies adopted within 10 calendar days of de date the claim is filed.
- i) Understand the actions related to behaviors by the Directors that may be contrary to the provisions stipulated in the Bylaws, the Regulations of the Board and other internal regulations, which will be informed to the Board when the Committee deems it necessary.
- j) Support the Chairman of the Board of Directors in carrying out the annual evaluation of the Board, review the results of the process and make suggestions regarding its best performance.
- k) Oversee the operation of the Company's website and other information dissemination mechanisms.
- l) Select the company that will carry out the external evaluation of the Board and Directors, and coordinate the preparation of the report to be submitted to the General Shareholders' Meeting.
- m) Prepare the draft for the Board of Directors' Action Plan for each calendar year.
- n) Analyze and monitor the Social Responsibility Activities Annual Program.
- o) Promote director and manager training in corporate sustainability matters.
- p) Monitor the processes of the Board, including scheduling meetings, setting up agendas, and the flow of information to the Directors.
- q) Make suggestions for the best performance of the Board using the resources and technology available.
- r) Recommend a communications scheme with Shareholders, stakeholders and the general public.
- s) Ensure compliance with the Code of Good Government with the support of the Internal Audit Department.

5. TRANSPARENCY, FLOW AND RELIABILITY OF INFORMATION

The Code of Good Governance ensures that the information is presented accurately and regularly, contains all material matters regarding the Company, including results, financial position, internal control, the shareholding structure and corporate governance.

The Company shall provide shareholders, investors and others stakeholders, with additional information dissemination channels other than the legal channels.

5.1. Information on Company Performance

Information regarding the performance of the Company is prepared and presented in accordance with the established legal requirements and accounting standards.

Without prejudice to the compliance of relevant information standards, among other matters, the Company will inform its shareholders and the general public on:

- a) Business objectives that Management has set for the year.
- b) Foreseeable material risks and the measures to address them.
- c) Financial statements and year-end reports, which will be audited by the Statutory Auditor, who shall be an independent and reputable individual or corporation.
- d) The Company's general policy for dividend payment.
- e) Relevant Internal Audit reports and any findings by the Statutory Auditor.
- f) Opportunities and issues relevant to the evolution of the Company's activities, including information related to its development, its competitors, business projects or those that correspond to its nature.
- g) General policies applicable to remuneration and any economic benefit granted to Board members, the Legal Representatives, the Auditor, the External Advisers and the Specialized Audits.
- h) Any relevant contracts entered into by its Directors, Managers, senior executives and legal representatives, including their relatives, partners and other related parties.
- i) The mechanisms and procedures established internally for conflict resolution purposes.
- j) The criteria applicable to negotiations entered into by its Directors, Managers and senior executives regarding shares and other securities issued by the Company.
- k) The resumes of the Board members, legal representatives and members of the internal control bodies.
- l) The policy and procedure for understanding, managing and resolving situations that generate conflicts of interest, and the report on relevant conflicts of interest submitted by members of the Board and other directors.
- m) The total cash cost of the Board during the previous period and the reimbursement amount.

5.2. Company's Internal Control Structure

The Board is responsible for the existence of a strong control environment within the Company, adapted to its nature, size, complexity and risk, in order that:

- a) The Company promote a culture of risk and control.
- b) Roles and responsibilities surrounding risk management, internal control and assessment are defined, including clearly reporting lines.
- c) Risks arising from the strategic definition of the Company and business processes are taken into consideration, in order to adequately monitor, assess and manage these risks.

Therefore, the Company has the following internal control structure:

5.2.1. Audit, Finance and Risk Committee

The Audit, Finance and Risk Committee was created to support the Board in monitoring the effectiveness of internal control risk management systems, the adequacy and reliability of financial information for making decisions regarding control and improvement of activities carried out by the Company, its managers and its directors.

5.2.2. Area Responsible for Internal Audit

The Company has an area responsible for Internal Audit, which carries out an independent and objective assessment of the quality and effectiveness of the control system and provides consultancy and advice in order to add value in the execution of Company operations. It also helps meet its objectives through a systematic and disciplined approach to evaluate and improve the efficiency of the risk management system, as well as controls and governance processes.

It also contributes to risk prevention, and continuously identifies and communicates opportunities for improvement, through the use of knowledge, information and technology.

Internal Audit will assess compliance with the Code of Good Governance and report its findings to the Sustainability and Corporate Governance Committee.

Internal Audit reports administratively to the Vice President of Legal and Institutional Affairs and functionally to the Audit, Finance and Risk Committee.

5.2.3. Risk Map

The Company shall have a risk map based on the business cycle, which consists of the vision of the different activities as a whole, and is created by the interaction of groups and processes of the different activities carried out.

5.2.4. Statutory Auditor

The Company has a Statutory Auditor, who carries out the duties provided for in the Commercial Code and is subject to the provisions therein, without prejudice to the provisions stipulated in other regulations and by the General Shareholders' Meeting, when compatible with their legal obligations.

The General Shareholders' Meeting, during the session to appoint the Auditor, will include the information concerning the appropriations provided for human and technical resources assigned for the performance of his/her duties.

The Company's Statutory Auditor will be a company with international prestige which will be appointed by the General Shareholders' Meeting for terms of 2 years; which must first meet the recommendations presented by the Audit Finance and Risk Committee.

Within the term of the call and until the fifth business day prior to the date of the ordinary General Shareholders' Meeting in which the Statutory auditor is to be elected, any shareholder may request that at that meeting a specific internationally recognized company be considered, for which it must attach the corresponding request, a presentation of the company suggested for this position, indicating its experience, and attaching the relevant certifications. Likewise, the request shall contain the proposal regarding the fees paid to the suggested Statutory Auditor.

In its report to the General Shareholders' Meeting, in addition to the requirements stipulated by Law, the Statutory Auditor will include the relevant findings in order that Shareholders and other investors have the necessary information to make decisions on their securities.

If the Board considers that it must maintain its opinion regarding exceptions / or emphases presented by the Statutory Auditor, this opinion must be adequately explained and justified in a written report presented to the General Shareholders' Meeting.

Neither the Statutory Auditor, nor the individuals or entities attached to it, may perform or provide services other than their own for the Company or to any of its subsidiaries.

The contract entered into by the Company and the Statutory Auditor will stipulate that in the event of successive appointments, the total maximum duration of the contractual relationship will be 10 years, that the individuals appointed as principal and alternate shall be changed at least every 5 years and that said individuals may only return to serve as statutory auditors for the Company after a period of at least 2 years has passed from said moment.

5.3. Architecture of the Company and Related Companies

The Board of Directors of the Company shall strive for the control architecture to meet the guidelines established by its parent company, establishing responsibilities regarding Company-wide policies and guidelines on this matter and defining clear lines of reporting that allow for a consolidated view of the risks involved.

5.4. Information for Shareholders, Investors and the General Public

The Company will promote the creation of different channels to inform and publish its activities among its shareholders, investors and the general public.

5.4.1 Investor Relations Office

The main purpose of the Investor Relations Office is to help create a preference for investing in the Company through sharing information on the Company, guaranteeing the quality of information and the adequate disclosure of its activities, and staying in permanent contact with the community of shareholders, investors and local and international analysts. In addition, the process and duties related to investor care, will serve as a bridge between shareholders and investors and the Company's governing bodies; and in general, it will also address its needs, requirements and suggestions.

Shareholders and investors may submit requests or complaints to the Company, whenever they feel a breach has occurred regarding the provisions stipulated in this Code of Good Governance. In these cases the Directors of the Company through the Investor Relations Office will respond in a clear and sufficient manner, and with the utmost diligence and promptness.

5.4.2. Relevant information. Process for Disclosure

Relevant Information is any that has been taken into consideration by a prudent and diligent expert to buy, sell or hold securities, and any which a shareholder would take into account when exercising his/her political rights before the respective General Shareholders' Meeting or competent body.

The Company shall define the procedures, responsible, deadlines and overall structure required to disclose relevant information that may be of interest to the market.

The Company will guarantee strict compliance with the regulations governing the Public Stock Market, by sending the information required according to those standards.

5.5. Identifying the main actual beneficiaries of Company Shares

The identification of the main actual beneficiaries of Company shares shall comply with the disclosure policies provided for by Law and, specifically, with the requirements of the Superintendence of Finance; taking into account the limited liability nature of the Company and the guarantee of respect for the privacy for all investors, whether majority or minority.

6. CONFLICTS OF INTEREST, PRIVILEGED INFORMATION AND ETHICAL BEHAVIOR

6.1 Definition

Company managers, directors, employees and any related parties, are considered to be in a situation of conflict of interest when they make a decision, or perform or omit an action, and have to choose between the interests of the Company and their own interest or that of a third party; in opting for any of the latter two, they would obtain a benefit that they would otherwise not receive.

Acts of competition with the Company are understood as those seeking to simultaneously satisfy the concurrence of interests between the Company and a manager, officer, employee, or a third party, for which he/she has the vocation to act, since that each seeks to obtain the same result.

6.2 General Guidelines

Situations that configure a conflict of interest and / or competition, in which Company managers are involved, shall be resolved in accordance with the regulations governing the matter.

In the event that Company managers, officials and general related parties, are confronted with a situation in which two opposing interests exist or are in competition with the Company, the provisions stipulated in section 6.3 of this Code, the Code of Business Conduct and in particular the following guidelines or rules must be followed:

- **Loyalty Duty:** all managers, employees, officers must comply with the laws and act with legality and truth. By this principle they are required to carry out their duties for the benefit of the Company, in such a way that the results generated comprehensively benefit the Company, notwithstanding the compensation for the duties performed, if any are included in legal terms.
- **Transparency Duty:** The Company must guarantee clear conditions in its operations, in order to adequately price their products and services, and make decisions; likewise it must keep its shareholders, investors, managers, employees and officials informed of all the circumstances which may interest them.
- **Equity Duty:** The Company must determine equal conditions for all its shareholders, investors, managers, employees, officers, and suppliers.
- **Due Diligence:** managers and officials must exercise their functions in an effective, adequate and satisfactory manner, in order to meet the objectives sought without departing from the legal mandates and ethical principles. To this end, they shall undertake to act in a righteous manner, and render their services without expecting any other consideration than the one agreed upon.
- **Duty of Prudence and Confidentiality regarding Company Information:** managers, directors and other employees must protect the information that has been given by its shareholders and investors, and that of the Company itself which is of a confidential nature, without this becoming a reason for concealment and collaboration in unlawful acts.

Based on this principle, legal representatives, managers, statutory auditors, other employees, and external auditors and advisors are required to:

- a) Not disclose Company information to individuals who are not part of it, or to unauthorized personnel.
 - b) Not use inside information to which they have access, for their personal or third party benefit.
 - c) Not use information against third parties.
 - d) Provide information, other than inside information, in an accurate and timely manner.
 - e) Always act with discretion.
 - f) Provide information between Company areas only to the extent necessary.
 - g) Provide the information required by monitoring and control entities.
- **Compliance with the Law:** Each activity undertaken by the Company, its directors, officers and other employees must be strictly confined to legal mandates.

6.3. Disclosure and Resolution of Conflicts of Interest

In the event that any directors, officers, Board of Directors' advisors, or other Company employees (the "Interested Parties") believe they may be facing a situation of conflict of interest or competition with the Company they will be bound to disclose the situation in writing to the Sustainability and Corporate Governance Committee, through the Secretary General or the President. In addition, the interested party must submit to the General Secretariat or the President all the relevant information required for determining the existence of situation of conflict of interest or competition with the Company.

In order to prevent any conflict of interest, and keep the Secretary General or the President duly informed as to the existence of a situation that may generate or potentially generate a conflict of interest or competition with the Company, candidates for Company director positions, must sign a questionnaire for preventing conflicts of interest prior to their appointment, which will be sent to the General Secretariat or the President, who will make it available to the Competent Authority responsible for the appointment.

Any situation that raises a concern regarding the possible existence of a conflict of interest must be addressed as if it does exist.

Once the Interested Party reports the situation that generates a potential situation of conflict of interest of competition with the Company to the General Secretariat or the President, the General Secretariat or the President shall convene a meeting of the Sustainability and Corporate Governance Committee within the next fifteen (15) days after receiving the report.

Once the meeting is convened, the Sustainability and Corporate Governance Committee must analyze the situation presented, state the existence of a situation conflict of interest or competition with the Company, if any, and present recommendations to the Board in full, regarding any legal measures applicable to eliminate the conflict of interest, among which may be formulas such as strategic alliances between the Company and those involved in the conflict.

The Sustainability and Corporate Governance Committee may hire external consultants to carry out the analysis of the situation, such as reputable external lawyers, experts in corporate and / or administrative law and government procurement, according to the subject matter.

In case that the individual who is in a situation of conflict of interest or competition with the Company is one of the non-independent members of the Sustainability and Corporate Governance Committee, or if during the review of a conflict of interest one of the non-independent members of the Committee, proves to be in the same situation of conflict of interest or competition with the Company, this Board member will be replaced by any of the Board members who is not part of the Sustainability and Corporate Governance Committee, and has no conflict of interest. The same procedure will apply in the event that two members are in conflict. If the Committee cannot be formed due to the fact that all Committee members present a conflict of interest, said situation will be taken before the Board in full, with the members in conflict having to abstain from participating in the deliberation and decision.

In the event that the instances of the Sustainability and Corporate Governance Committee and the Board in full are covered, and yet the conflict of interest cannot be eliminated, because the conflict of interest involved more than the minimum number of Board members required to take a decision, in accordance with the respective decision-making minimum majority, and as long as the managers involved persist in their intention to continue with the acts that led to the conflict of interest against the Company, the Chairman shall call an extraordinary General Shareholders' Meeting, stating in the agenda the request for authorization for the activity that represents a conflict of interest or competition with the Company.

In any case, the authorization by the General Shareholders' Meeting may only be granted if it does not prejudice the interests of the Company.

Managers who obtain authorization based on incomplete or false information, or knowing that the operation would cause prejudice to the Company will be liable for their acts before the Company, and the affected shareholders or third parties.

Shareholders who have expressly authorized the execution of an act for which there was conflict of interest or competition with the Company, which affects the interests of the Company, shall be jointly and severally liable for damages caused to shareholders and third parties, unless said authorization was obtained in a misleading manner.

6.4. Inside Information

Managers, directors and officials in general, will safeguard confidential information to which they have access due to their positions, and will therefore refrain from using said information for direct, indirect or third party benefit.

The directors, officers and employees of the Company will maintain confidentiality at the workplace, at home, at social events and other public places, avoiding comments that could harm the interests of the Company, its directors and employees.

The improper use of inside information to obtain personal or third party benefits obtained because of the position held and not subject to public knowledge, is considered an offense subject to criminal penalties established by Law. In this regard, the President, as the legal representative of the Company, must carry out all actions to report violators to the competent authorities.

6.5. Penalties

Manager, Board of Directors' advisors, officers or employees who engage in practices that constitute a conflict of interest, or disclose confidential information to their advantage or that of a third party, will be subjected to civil, criminal and labor penalties, which the Law, the Code of Good Governance and the Internal Regulations contemplate to that effect.

If the actions of a manager, Board of Directors' advisor, officers or employees result in the imposition of a fine to be paid by the Company, the President, as the legal representative of the Company shall carry out all relevant legal proceedings for recourse against the manager, Board of Directors' advisor, officer or employee.

7. GENERAL PROVISIONS

7.1. Code of Business Conduct

The Company will have a Code of Business Conduct approved by the Board which regulates the behavior expected by the Company's directors, managers and employees both in relation to the Company and the different stakeholders.

7.2. Securities Negotiations by the Directors and Managers

The Board will approve the transactions made by the Directors, legal representatives and managers, including the President, Vice Presidents, Managers and employees regarding specific projects in which they have access to inside information pertaining to shares and securities issued by the Company's Related Companies, provided that they are beyond speculative purposes and are not carried out using insider information.

Approval must be given prior to the completion of transactions and by the affirmative vote of two thirds of its members, excluding the votes of the applicant. Applications for authorization must be submitted through the General Secretariat, where the transactions will be recorded, and which will inform the Sustainability and Corporate Governance Committee of the Board.

The approval given to the Directors is considered Relevant Information and must be communicated to the Securities Market by the Company's Compliance Officer.

The operations may only be held within the 15 business days following the date on which the quarterly results of the Related Company issuing the shares or securities were revealed to the market.

Authorization by the Board will not be required in cases of purchase in primary emissions or takeover bids (OPA's) regarding Related Company securities.

7.3. Retirement age for the Company's President and Directors

Directors must leave office when they turn 72 and the President of the Company when he/she turns 65.

For this purpose, Directors will present their resignation at the next ordinary General Shareholders' Meeting from the date on which they turn 72. The President of the Company will present his resignation at the next Board Meeting from the date on which he turns 65.

This provision applies from the date on which the Company's Board of Directors is chosen, after the entry into force of this Code.

7.4. Related Companies

The Company will adopt Grupo Empresarial Argos' s Relationship with the Related Companies Policy.

LIST OF AMENDMENTS

Date of adoption:	February 14, 2002
First amendment:	October 27, 2004
Second amendment:	August 31, 2005
Third amendment:	November 29, 2006
Fourth amendment:	February 7, 2007
Fifth amendment:	February 28, 2007
Sixth amendment:	August 26, 2009
Seventh amendment:	September 4, 2013.
Eighth amendment:	April 25, 2016.

The logo for ODINSA features a stylized circular emblem composed of three overlapping leaf-like shapes in shades of gray. Below this emblem, the word "ODINSA" is written in a large, bold, sans-serif font, also in a light gray color.