

PODEROSA

GOOD CORPORATE
GOVERNANCE PRINCIPLES 2021



THE KEYS TO OUR
RESILIENCE

**REPORT ON COMPLIANCE WITH GOOD CORPORATE GOVERNANCE
FOR PERUVIAN CORPORATIONS (10150)**

Corporate Name:

COMPAÑÍA MINERA PODEROSA S.A.

Web Site:

www.poderosa.com.pe

Fiscal Year:

2021

Corporate Name of the reviewing company¹:

RPJ

¹ Only applicable if the information contained in this report has been reviewed by a specialized company (for example: an auditing firm or a consulting company).

SECTION A: Introduction letter²

The Code of Good Corporate Governance for Peruvian Companies establishes a set of minimum principles or standards adopted by a company to recognize the rights of its shareholders, define the responsibilities of the Board of Directors and Management, ensure transparency of information, and recognize relations with stakeholders. In this sense, corporate governance, as stated by the Organization for Economic Cooperation and Development - OECD, is a key element to increase economic efficiency and enhance the growth of a country, as well as to promote investor confidence.

Compañía Minera Poderosa S.A. applies the best corporate governance practices. In this regard, it presents to the market its report of compliance with the Principles of Good Corporate Governance during the 2021 fiscal year established by the Superintendency of the Securities Market. These principles regulate matters related to the equitable treatment of shareholders, management of conflicts of interest, capital structure, risk management, remuneration schemes and disclosure of information, among others. Thus, Poderosa guarantees the application of ethical business practices through the dissemination of this Report, which is aligned with the Mission, Vision and Corporate Values that guide the behavior of our shareholders, directors, officers, and workers.

² The main actions implemented during the year in terms of good corporate governance practices that the Company considers relevant to highlight in line with the five pillars that make up the Code of Good Corporate Governance for Peruvian Companies (2013) are described: Shareholders' Rights, General Shareholders' Meeting, The Board of Directors and Senior Management, Risk and Compliance and Transparency of Information.

SECTION B: Compliance with Good Corporate Governance for Peruvian Corporations Evaluation

PILAR I: Shareholders rights

Principle 1: Equitable treatment of shareholders

Question I.1

	YES	NO	EXPLANATION:
Does the company recognize equitable treatment of all shareholders with the same class of shares and with the same conditions (*)?	X		

(*) Same conditions mean those specific characteristics which differentiate the shareholders or those characteristics that makes them equal regarding their relationship to the corporation (institutional investors, non-controlling investors, etc.). This shall not mean by any means that it implies favoring the use of privileged information.

Question I.2

	YES	NO	EXPLANATION:
Does the Company only promote the existence of shares with voting rights?	X		ALL SHARES ARE COMMON SHARES WITH VOTING RIGHTS

a. About the company's capital, please specify:

CAPITAL ISSUED AS OF THE END OF THE YEAR	CAPITAL PAID AS OF THE END OF THE YEAR	TOTAL NUMBER OF SHARES REPRESENTING CAPITAL STOCK	NUMBER OF SHARES WITH VOTING RIGHT
453,750,000	453,750,000	453,750,000	453,750,000

b. If the Company has more than one class of shares, specify:

CLASS	NUMBR OF SHARES	NOMINAL VALUE	Rights (*)

(*) In this field, the specific rights of the share class which makes it different from the other ones

Question I.3

	YES	NO	EXPLANATION:
If the Company has investment shares, does it promote a redemption policy or voluntary exchange of investment shares for ordinary ones		X	ALL SHARES ARE COMMON SHARES WITH VOTING RIGHTS

Principle 2: Shareholder Participation

Question I.4

	YES	NO	EXPLANATION:
a. Do the Company documents state the way in which the shares are represented and the person responsible for the shareholder registry?	X		CORPORATE BY LAWS
b. Is the information from the Company shareholder register permanently updated?	X		

State the frequency with which the shareholder registry is updated, after receiving information about any changes

FREQUENCY:		
Within forty-eight hours		
Weekly		X
Others /Specify (in number of days)		

Principle 3: No dilution in capital stock participation

Question I.5

	YES	NO	EXPLANATION:
a. Does the Company have a policy to explain the Board of Directors' proposals regarding corporate transactions that could affect the shareholders right to non-dilution (i.e. mergers, divisions, capital expansions, among others) in advance by means of a detailed report with the independent opinion of a prestigious external advisor appointed by the Board of Directors?	X		EXTERNAL ADVISORS ARE APPOINTED BY THE BOARD OF DIRECTORS FOR EACH SPECIFIC CASE
b. Does the Company policy include making such reports available to the shareholders?	X		

If corporate transactions stated under paragraph a) of Question I.5 have taken place in the Company during the year, and if the Company has independent Directors (*), state, in each case:

	YES	NO	
Did the appointment of the external advisor have the affirmative vote of all the Independent Directors?			
Did all the Independent Directors express their clear acceptance of such report, and, if applicable, did they support their reasons for their disagreement?			

(*) Independent Directors are those chosen out of their professional prestige, autonomy and economic independence and who are not related to the company management or to the company's main shareholders or directors.

Principle 4: Information and Communication to Shareholders

Question I.6

	YES	NO	EXPLANATION:
Does the Company appoint the people responsible for or the adequate means through which the shareholders can receive and request timely, reliable and true information?	X		CORPORATE BYLAWS

a. State the means or the way through which the shareholders receive and/or request information about the Company.

COMMUNICATION MEANS	RECEIVE INFORMATION	REQUEST INFORMATION
E-mail	X	
Telephone		
Corporate web site	X	
Mail		
Information meetings		
Other / Specify		

b. Does the Company have a maximum deadline to respond to information requests submitted by shareholders? If so, specify such deadline:

DEADLINE (DAYS)

Question I.7

	YES	NO	EXPLANATION:
Does the Company have mechanisms for the shareholders to express their opinion regarding the Company's development?	X		AT THE GENERAL SHREHOLERS MEETING

If the answer is yes, specify the Company's established mechanisms for the shareholders to express their opinions about the Company.

IT IS NOT REGULATED, BUT ANY REQUEST MADE BY ANY SHAREHOLDER IS RESPONDED AS SOON AS POSSIBLE BY THE GENERAL MANAGEMENT
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Principle 5: Participation in the Company's profit sharing

Question I.8

	YES	NO	EXPLANATION:
a. Is the profit sharing policy compliance subject to periodical evaluations?		X	IT IS NOT SUBJECT TO EVALUATION
b. Is the profit sharing policy informed to the shareholders, through its corporate web site, among other media?	X		IT IS INCLUDED IN THE ANNUAL REPORT AND IN THE WEB SITE

a. Describe the Company's profit sharing policy applicable to the year subject to this report

APPROVAL DATE	30/9/2009
PROFIT SHARING POLICY (CRITERIA FOR THE DISTRIBUTION OF PROFITS)	THE COMPANY SHALL DISTRIBUTE BETWEEN 40% AND 60% OF THE DISTRIBUTABLE ANNUAL PROFIT, IN CASH

b. State the profits in cash and in shares, distributed by the Company in the year subject to this report as well as in the previous year.

PER SHARE	DIVIDENDS PER SHARE			
	CURRENT YEAR		PREVIOUS YEAR	
	IN CASH	IN SHARES	IN CASH	IN SHARES
Class	0.172	0.25	0.43	0
Class				
Investment share				

Principle 6: Change in Company Control

Question I.9

	YES	NO	EXPLANATION:
Does the Company have policies or agreements to avoid takeover?		X	IT DOES NOT

State if any of the following measures has been established in your Company:

	YES	NO
Minimum number of shares as a requisite to become a Director		X
Minimum number of years as a Director to be appointed Chair of the Board of Directors		X
Agreements to compensate for executives / officers because of changes after a Share Acquisition Public Offer (OPA).		X
Other of similar nature / Specify		

Principle 7: Arbitration for Dispute Resolution

Question I.10

	YES	NO	EXPLANATION:
a. Do the Corporate by-laws include an arbitration clause by which the Company agrees to submit to legal arbitration any disputes between the shareholders or between shareholders and the BOD; as well as any challenges to the GSM and the BOD agreements by the Company shareholders?		X	DO NOT INLCUDE ANY
b. Does such clause allow an independent third party to settle any such disputes, except for express legal reserve before ordinary justice?		X	NOT APPLICABLE

If any GSM or BOD agreement has been challenged by any shareholder, or if other actions involving the Company have been undertaken, specify the number.

NUMBER OF GSM AGREEMENTS CHALLENGED	
NUMBER OF BOD AGREEMENTS CHALLENGED	

PILAR II: General shareholders meeting

Principle 8: Function and Powers

Question II.1

	YES	NO	EXPLANATION:
Does the GSM have exclusive powers to approve the Board of Directors' compensation policy, and cannot delegate it?		X	IT IS STATED IN THE BY LAWS

State if the following functions are exclusive of the GSM. If the answer is no, then specify which body is responsible for them.

	YES	NO	BODY
Arrange for special investigations and audits		X	GSM AND BOARD OF DIRECTORS
Agree on the by- laws modification	X		
Agree on the increase of capital stock	X		
Agree on advance profit sharing		X	GSM AND BOARD OF DIRECTORS
Appoint external auditors		X	DELEGATED TO THE BOARD OF DIRECTORS

Principle 9: General Shareholders Meeting Regulations

Question II.2

	YES	NO	EXPLANATION:
Does the Company have a binding GSM Regulation document? Is non-compliance with such regulation subject to liability?		X	IT DOES NOT HAVE SUCH DOCUMENT; IT IS RULED BY THE CORPORATE BY-LAWS AND THE GENERAL CORPORATIONS LAW

If the Company has a GSM Regulation document, state if the following procedures are included

	YES	NO
Calling the GSM		
Shareholders inclusion of agenda items		
Providing additional information to shareholders about the GSM		
Development of the GSM		
Board of Directors appointment		
Other relevant matters/ Specify		

Principle 10: Calling Mechanisms

Question II.3

	YES	NO	EXPLANATION:
In addition to the calling mechanisms provided by law, does the Company have any calling mechanisms that allow getting in touch with the shareholders, especially with those who have no participation in the Company's management or control?		X	DOES NOT HAVE ANY OTHER MECHANISM

a. Complete the following information for each one of the meetings held during the year:

CALLING DATE*	DATE OF THE MEETING	VENUE OF THE MEETING	TYPE OF MEETING		GENERAL SHAREHOLDERS MEETING		QUÓRUM %	N° OF ATTENDING SHAREHOLDERS	PARTICIPATION (%) ON THE TOTAL NUMBER OF SHARES WITH VOTING RIGHT		
			SPECIAL	GENERAL	YES	NO			THROUGH PROXY	DIRECTLY (*)	DID NOT EXERT VOTING RIGHT
25/2/2021	9/3/2021	ONLINE		X		X	93.95	19	62.66	31.29	0

(*) Directly means voting by any means or modality, which does not imply representation.

b. What means did the Company use to call for the meetings, besides the ones provided by under article 43 of the General Corporation Law and in the provisions set forth in the Important Fact and Reserved Information Regulations, did the Company use to disseminate the calling for the GSM during the year?

E-mail		Mail	
Telephone		Social Media	
Company web site	X	Others/Specify	

Question II.4

	YES	NO	EXPLANATION:
Does the Company provide the shareholders with all the information about the items included in the GSM agenda and the agreement proposals that will be submitted (motions)?	X		IT IS AVAILABLE AT THE COMPANY'S PLACE OF BUSINESS AND IN THE SMV WEB SITE AS AN IMPORTANT FACT

In the callings made by the Company during this year:

	YES	NO
Did the Company state the place where the information regarding the agenda items to be discussed in the GSM was available?		X
Did the agenda include: "other items", "miscellaneous", or the like?		X

Principle 11: Agenda Items Proposals

Question II.5

	YES	NO	EXPLANATION:
Does the GSM regulation provide for mechanisms allowing the shareholders to exert their right to submit proposals to be included as agenda items for discussion at the GSM and the procedures to accept or deny such proposals?		X	NOT APPLICABLE

a. State the number of requests submitted by the shareholders to include agenda items to be discussed at the GSM during this year, and describe how these were resolved:

NUMBER OF REQUESTS		
RECEIVED	ACCEPTED	DENIED
0		

b. If any requests to include agenda items to be discussed at the GSM were denied, state if the Company informed the requesting shareholders, supporting this denial.

Yes		No	
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Principle 12: Procedures to Exercise Voting Rights

Question II.6

	YES	NO	EXPLANATION:
Does the Company have mechanisms to allow the shareholders to exercise their voting rights remotely through safe electronic or postal means, to guarantee that the person casting the vote is, in effect, the shareholder?		X	THERE ARE NO SUCH MECHANISMS

a. If so, state the mechanisms or means that the Company has for exercising remote voting

Vote through electronic means		Voting through mail	
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b. If remote voting was used during the year, fill in the following information:

GSM DATE	% REMOTE VOTES				% REMOTE VOTES / TOTAL
	E-MAIL	COMPANY WEB SITE	MAIL	OTHER	

Question II.7

	YES	NO	EXPLANATION:
Does the Company have any corporate documents that clearly state that the shareholders can vote separately on those matters that are substantially independent, so that they can exercise their voting preferences separately?	X		CORPORATE BY LAWS

State if the Company has corporate documents that clearly specify that the shareholders can vote separately on the following:

	YES	NO
Appointment or ratification of the Directors through individual vote for each one of them.		X
By-laws amendment, per paragraph or group of paragraphs that are substantially independent.		X
Other/specify		

Question II.8

	YES	NO	EXPLANATION:
Does the Company allow shareholders representing other shareholders, to cast differentiated votes in order to follow the instructions or the shareholders they represent?	X		THE COMPANY DOES NOT RESTRICT THE SHRAHOLDERS VOTIING RIGHTS

Principle 13: Delegation of Voting Rights

Question II.9

	YES	NO	EXPLANATION:
Do the Company by-laws allow its shareholders to delegate their voting rights to any person?	X		EVEN WHEN THIS IS NOT REGULATED, THE COMPANY DOES NOT RESTRICT VOTING RIGHTS DELEGATION BY ITS SHAREHOLDERS

If the answer is no, state if the by-laws restrict the right to representation, in favor of any of the following people:

	YES	NO
Another shareholder		
A director		
A manager		

Question II.10

	YES	NO	EXPLANATION:
a. Does the Company have procedures specifying the conditions, means and formalities to be met when delegating voting rights?		X	THE COMPANY HAS NOT DEVELOPED THEM
b. Does the Company provide the shareholders with a template for a letter of representation, including the representative's information, items for which they are delegating their vote, and if applicable, their voting decision for each one of the proposals?		X	THE SHAREHOLDERS ARE FREE TO DRAFT THEIR OWN DOCUMENTS

State the requirements and formalities required for a shareholder to be represented at the GSM:

Formality (specify if the Company requests a simple letter, letter signed by a Public Notary, a public deed or other).	IN WRITTEN (ONE FOR EACH GSM; SIMPLE LETTER, FAX, TELEX, CABLE, E-MAIL OR OTHER). POWER OF ATTORNEY THROUGH PUBLIC DEED
Anticipation (number of days prior to the GSM) that the document should be submitted.	24 HOURS
Cost (state if the Company demands any payment for such purpose and the amount payable, if applicable).	NO

Question II.11

	YES	NO	EXPLANATION:
a. Does the Company have a policy to establish limitations to the percentage of delegated votes in favor or the Board of Directors or Senior Management members?		X	NOT APPLICABLE
b. In the event of vote delegation in favor of Board of Directors or Senior Manager Members, does the Company have a policy for its shareholders delegating their voting rights to clearly establish their voting preferences?		X	NOT APPLICABLE

Principle 14: GSM Agreement follow-up

Question II.12

	YES	NO	EXPLANATION:
a. Does the Company follow-up on the GSM agreements?	X		
b. Does the Company submit regular reports to the Board of Directors, and are these made available to the shareholders?	X		

If applicable, state what is the area and/or person responsible for following-up on the agreements reached by the GSM. If there were a person responsible, include his/her name and position/area.

RESPONSIBLE AREA	GENERAL MANAGEMENT
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PERSON IN CHARGE		
FIRST AND LAST NAME	POSITION	AREA
RUSSELL MARCELO SANTILLANA SALAS	GENERAL MANAGER	GENERAL MANAGEMENT

PILAR III: Board of directors and senior management

Principle 15: Board of Directors Constitution

Question III.1

	YES	NO	EXPLANATION:
Is the Board of Directors made up by prestigious, ethical, and economically independent people with different professional backgrounds, availability and other relevant qualities for the Company in such a way that they provide multiple approaches and opinions?	X		

a. Provide the following information corresponding to this year's Company's Board of Directors members.

FULL NAME	PROFESSIONAL BACKGROUND (*)	DATE		PARTICIPATION (****)	
		START (**)	END (***)	N° OF SHARES	PART. (%)
Directors (does not include independent directors)					
LUZ EVANGELINA ARIAS VARGAS DE SOLOGUREN	ARCHITECT			69,048,335	15.2172
VICTORIA ISABEL ARIAS VARGAS	BUSINESS MANAGER			72,809,351	16.0461
ANA CAROLINA ARIAS VARGAS	ECONOMIST			242,590	0.0534
WALTER EDUARDO SOLOGUREN JORDAN	GEOLOGY ENGINEER				
JOSÉ ENRIQUE JUAN PICASSO SALINAS	BUSINESS MANAGER				
JORGE ALFREDO GUILLERMO PICASSO SALINAS	LAWYER				
RICARDO ELEAZAR REVOREDO LUNA	BUSINESS MANAGER				

FULL NAME	PROFESSIONAL BACKGROUND (*)	DATE		PARTICIPATION (****)	
		START (**)	END (***)	N° OF SHARES	PART. (%)
RAFAEL BERNARDO LUIS PICASSO SALINAS	LAWYER				
VÍCTOR AUGUSTO CAYETANO OSTOLAZA FERNÁNDEZ PRADA	LAWYER				
ADOLFO DARIO ARIAS DÍAZ	ENGINEER				
FERNANDO A P CANTUARIAS ALFARO	LAWYER	23/4/2009		47,671	0.0105
EDUARDO JOSÉ FERRERO COSTA	LAWYER	1/8/2007			
JUAN ANTONIO ASSERETO DUHARTE	GEOLOGY ENGINEER	1/4/2001			
JOSÉ DE BERNARDIS CUGLIEVAN	INDUSTRIAL ENGINEER	1/3/1998			
JUAN ANTONIO PROAÑO ARIAS	MINING ENGINEER	23/4/2009			
Independent Directors					
CAROLINA MARÍA CASTRO QUIRÓS	LAWYER				
JOSÉ NÉSTOR MARÚN	ENGINEER				
CARLOS FERNANDO ARANDA ARCE	BIOLOGIST				

(*) State additionally if the Director also participates in other Board of Directors, specify their number and if they are part of the reporting Company's economic group. The definition of economic group for reporting purposes shall be the one contained in the Regulation on Indirect Property, Relation and Economic Groups.
 (**) Corresponds to the first appointment in the reporting Company.
 (***) Fill in only if the Director ceased to be Director during the year.
 (****) Mandatorily applicable only for those Directors with 5% or more participation in the capital stock of the reporting Company."

% OF TOTAL SHARES HELD BY DIRECTORS	31.3272
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State the number of Company Directors in each of the following age slots:

UNDER 35	BETWEEN 35 AND 55	BETWEEN 55 AND 65	OVER 65
0	3	3	12

b. State if there are any specific requirements to be appointed Chair of the Board of Directors, in addition to those required to be appointed a Director.

Yes	No	X
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If the answer is yes, specify such requirements.

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c. Does the acting Chair of the Board of Board of Directors have a casting vote?

Yes	X	No
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Question III.2

	YES	NO	EXPLANATION:
Does the Company avoid appointing substitute or alternate Directors, especially for quorum reasons?		X	THE COMPANY BY-LAWS PROVIDES FOR ALTERNATE DIRECTOR POSITION

If there are substitutes or alternate directors, specify the following:

FULL NAME OF SUBSTITUTE OR ALTERNATE DIRECTOR	START (*)	END (**)
FERNANDO A P CANTUARIAS ALFARO	23/4/2009	
CAROLINA MARÍA CASTRO QUIRÓS	1/4/2012	
EDUARDO JOSÉ FERRERO COSTA	1/8/2007	
RAFAEL BERNARDO LUIS PICASSO SALINAS	23/4/2009	
JUAN ANTONIO PROAÑO ARIAS	23/4/2009	
RICARDO ELEAZAR REVOREDO LUNA	1/8/2007	
CARLOS FERNANDO ARANDA ARCE	22/8/2017	

(*) Corresponds to the first appointment as substitute or alternate Director in the reporting Company.
 (**) Fill in only if the Director ceased to be Director during the year

Principle 16: Board of Directors' Functions

Question III.4

	YES	NO	EXPLANATION:
What are the functions of the Board of Directors: a. Approve and steer the Company's corporate strategy.	X		
b. Establish objectives, goals and action plans including annual budgets and business plans.	X		
c. Control and oversee the Company's management and administration.	X		
d. Oversee good corporate governance practices and establish the policies and necessary measures for their better application.	X		

a. Specify what other relevant powers the Company's Board of Directors has.

CARRY OUT FOLLOW-UP AND CONTROL IN CASE OF CONFLICTS OF INTERESTS BETWEEN COMPANY-RELATED PARTIES, FOLLOW-UP ON SPECIAL COMMITTEES AND/OR SPECIAL WORKING GROUPS, MONITOR COMPLIANCE WITH SOCIAL RESPONSIBILITY COMMITMENTS, AMONG OTHER

b. Does the Board of Directors delegate any of its functions?

Yes	X	No
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If so, what are the main functions of the Board of Directors that have been delegated and what body is responsible for their performance:

FUNCTIONS	BODY / AREA THAT HAS RECEIVED THE DELEGATED FUNCTIONS
ASISST THE MANAGEMENT	EXECUTIVE COMMITTEE
ANALYZE BOARD OF DIRECTORS CAPACITY ASPECTS	EXECUTIVE COMMITTEE
RESOLVE SITUATIONS THAT REQUIRE IMMEDIATE ACTION	EXECUTIVE COMMITTEE
ANY ISSUES ENTRUSTED BY THE BOARD OF DIRECTORS	EXECUTIVE COMMITTEE

Principle 17: Board of Directors Members' duties and rights

Question III.5

	YES	NO	EXPLANATION:
Do the Board of Directors members have the right to: a. Ask the Board of Directors for expert advice or support?	X		
b. Participate in induction programs regarding their powers and responsibilities and to be timely informed about the Company's organizational structure?	X		
c. Receive compensation for their work, which combines recognition to their professional experience and their dedication to the Company with a rationality criterion?	X		

a. If specialized advisors have been hired during the reporting year, state if the list of advisors of the Board of Directors that have provided their services during this year for Company decision making was informed to the shareholders.

Yes		No
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If applicable, specify if any of the specialized advisors held any relation whatsoever with any member of the Board of Directors and/or Senior Management (*).

Yes		No
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(*) For relationship purposes, the relationship criteria contained in the Regulation on Indirect Property, Relation and Economic Groups shall apply.

b. If applicable, state if the Company carried out induction programs for the new members entering the Company.

Yes		No
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c. State the percentage representing the total amount of annual compensation and bonus of the Directors, with respect to the gross income, according to the Company's financial statement.

COMPENSATION	(%) GROSS INCOME	BONUS	(%) GROSS INCOME
Directors (does not include independent Directors)	2.112	In shares	
Independent Directors	0.236	In options	
		In cash	
		Other (specify)	

Principle 18: Board of Directors Regulation

Question III.6

	YES	NO	EXPLANATION:
Does the Company have a binding regulation for the Board of Directors which violation entails liabilities?		X	THE COMPANY DOES NOT HAVE SUCH REGULATION. IT IS RULED BY THE BY-LAWS AND THE GENERAL CORPORATIONS LAW

State if the Board of Directors regulation includes:

	YES	NO
Operation policies and procedures		
Board of Directors organizational structure		
Functions and responsibilities of the Chair of the Board of Directors		
Procedures to identify, evaluate and nominate candidates to become members of the Board of Directors, proposed to the GSM		
Procedures for Directors vacancy, termination and succession		
Other / Specify		

Principle 19: Independent Directors
Question III.7

	YES	NO	EXPLANATION:
At least one third of the Board of Directors is made up by Independent Directors?		X	THE CORPORATION APPLIES THE CRITERIA ESTABLISHED IN ORDER SMV N.016-2019-SMV/01 TO QUALIFY ITS DESIGNATED DIRECTORS AS INDEPENDENT FOR THE YEAR 2021

In addition to the guidelines established in the "Guidelines to Qualify Independent Directors", the corporation has established the following criteria to qualify its Directors as Independent:

Question III.8

	YES	NO	EXPLANATION:
a. Does the Board of Directors state that the candidate proposed is independent based on the queries carried out and on the candidate's declaration?		X	NOT APPLICABLE
b. Do the candidates to be independent Directors declare their independent condition before the Company, its shareholders and managers?		X	NO APLICA

State if at least once a year the Board of Directors verifies that the Independent Directors continue to meet the requirements and conditions to be qualified as such:

Yes		No	
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Principle 20: Operation of the Board of Directors
Question III.9

	YES	NO	EXPLANATION:
Does the Board of Directors have a working plan that contributes to perform its functions efficiently?		X	THE BOARD OF DIRECTORS DOES A MONTHLY REVIEW OF THE COMPANY'S PERFORMANCE. IT RECEIVES ADVICE FROM THE EXECUTIVE COMMITTEE, A BODY INCLUDED IN THE BY-LAWS, AND FROM THE OTHER SPECIAL COMMITTEES

Question III.10

	YES	NO	EXPLANATION:
Does the Company provide the Directors with the necessary channels and procedures to efficiently participate in the Board of Directors meetings, even remotely?	X		

a. Specify the following with respect to the Board of Directors meetings held during the reporting year:

Number of meetings held	12
Number of meetings which have not been called for (*)	0
Number of meetings not attended by the Chair of the Board of Directors	0
Number of meetings where one or more Directors were represented by substitute or alternate Directors	12
Number of Directors that were represented at least once	1

(*) In this field, the Company must specify the number of meetings held, as provided for in the last paragraph of Title 167, under the General Corporations Law.

b. State the percentage of attendance of the Directors to the Board of Directors meetings during the reporting year:

NAME	% OF ATTENDANCE
LUZ EVANGELINA ARIAS VARGAS DE SOLOGUREN	100
JUAN ASSERETO DUHARTE	100
EDUARDO JOSÉ FERRERO COSTA	100
ADOLFO ARIAS DÍAZ	100
JOSÉ DE BERNARDIS CUGLIEVAN	100
JOSÉ NÉSTOR MARÚN	100
VÍCTOR OSTOLAZA FERNÁNDEZ-PRADA	100
WALTER SOLOGUREN JORDAN	100
VICTORIA ISABEL ARIAS VARGAS	100

NAME	% OF ATTENDANCE
JOSÉ PICASSO SALINAS	100
JORGE PICASSO SALINAS	100

c. State how many days before the Board of Directors meeting is the information regarding the agenda items to be discussed in a meeting, made available to the Directors.

	LESS THAN 3 DAYS	3 TO 5 DAYS	MORE THAN 5 DAYS
Non-confidential information		X	
Confidential information		X	

Question III.11

	YES	NO	EXPLANATION:
a. Does the Board of Directors objectively assess its performance and that of its members as a collective body at least once a year?		X	IT DOES NOT
b. Is the self-assessment methodology alternated with the assessment made by external advisors?		X	IT DOES NOT

a. State if performance assessments of the Board of Directors have taken place during this year.

	YES	NO
As a collective body		X
To its members		X

If the answer to the former question is yes in any of the fields, fill in the following information for each type of assessment:

ASSESSMENT	SELF ASSESSMENT		EXTERNAL ASSESSMENT		
	DATE	DIFFUSION (*)	DATE	RESPONSIBLE ENTITY	DIFSUSION (*)

(*) Answer Yes or No, if the assessment was informed to the shareholders.

Principle 21: Special Committees

Question III.12

	YES	NO	EXPLANATION:
a. Does the Company Board of Directors set up special committees focused in the analysis of the most relevant aspect for the Company's performance?	X		
b. Does the Board of Directors approve the regulations that rule each one of the special committees set up by it?	X		IF APPLICABLE
c. Are the special committees chaired by Independent Directors?		X	CHAIRIED BY AN OFFICIAL DIRECTOR
d. Do the special committees have a specific budget allocated to them?		X	DOES NOT HAVE ANY BUDGET ALLOCATED

Question III.13

	YES	NO	EXPLANATION:
Does the Company have an Appointment and Compensation Committee responsible for nominating candidates to become members of the Board of Directors, proposed by the Board of Directors to the GSM, and to approve the Senior Management compensation and bonus system?		X	IT DOES NOT HAVE SUCH A COMMITTEE. THE GENERAL SHAREHOLDERS MEETING IS AUTONOMOUS TO CHOOSE THE BOARD OF DIRECTOR MEMBERS

Question III.14

	YES	NO	EXPLANATION:
Does the Company have an Auditing Committee to supervise the efficacy and adequacy of the internal and external control system, the auditing work of the Company or the work of the independent auditor, as well as the compliance with legal and professional independence?	X		

a. State if the Company has the following additional Special Committees:

	YES	NO
Risk Committee		X
Corporate Governance Committee	X	

b. If the Company has Special Committees, provide the following information about each committee:

COMMITTEE 1	
Committee Name:	EXECUTIVE COMMITTEE
Established:	22/6/2007
Main Functions	SUPERVISE COMPANY PERFORMANCE

COMMITTEE MEMBERS (*) FULL NAME:	DATE		POSITION IN THE COMMITTEE
	START (**)	END (***)	
LUZ EVANGELINA ARIAS VARGAS DE SOLOGUREN	22/6/2007		CHAIR
JOSÉ PICASSO SALINAS	22/6/2007		OFFICIAL MEMBER
VÍCTOR OSTOLAZA FERNÁNDEZ-PRADA	22/6/2007		OFFICIAL MEMBER
JOSÉ DE BERNARDIS CUGLIEVAN	17/12/2015		OFFICIAL MEMBER
JUAN ASSERETO DUHARTE	27/3/2018		ALTERNATE MEMBER
JORGE PICASSO SALINAS	27/3/2018		ALTERNATE MEMBER
WALTER SOLOGUREN JORDAN	27/3/2018		ALTERNATE MEMBER
% Independent Directors with respect to the total Committee members	0		
Number of meetings held during the reporting year:	41		
Does it have delegated powers according to article 174 of the General Corporation Law?	Yes	X	No
Does the committee or its chair participate in the GSM?	Yes	X	No

(*) Information shall be provided regarding the people that make or made up the Committee during the reporting year.
 (**) Corresponds to the first appointment as a member of the Committee in the reporting Company.
 (***) Fill in only if the member ceased to be part of the Committee during the reporting year.

COMMITTEE 2	
Committee Name:	AUDITING COMMITTEE
Established:	27/2/2018
Main Functions:	SUPERVISE AND ENSURE THE INTEGRITY AND TRANSPARENCY OF THE CORPORATE INFORMATION AND IDENTIFIES AND ASSESSES POTENTIAL RISKS THAT COULD AFFECT THE COMPANY'S OPERATIONS

COMMITTEE MEMBERS (*) FULL NAME:	DATE		POSITION IN THE COMMITTEE
	START (**)	END (***)	
LUZ EVANGELINA ARIAS VARGAS DE SOLOGUREN	27/2/2018		CHAIR
JOSÉ PICASSO SALINAS	27/2/2018		OFFICIAL MEMBER
VÍCTOR OSTOLAZA FERNÁNDEZ - PRADA	27/2/2018		OFFICIAL MEMBER
JOSÉ DE BERNARDIS CUGLIEVAN	27/2/2018		OFFICIAL MEMBER
JUAN ASSERETO DUHARTE	27/2/2018		ALTERNATE MEMBER
JORGE PICASSO SALINAS	27/2/2018		ALTERNATE MEMBER
% Independent Directors with respect to the total Committee members	0		
Number of meetings held during the reporting year:	6		
Does it have delegated powers according to article 174 of the General Corporation Law?	Yes		No X
Does the committee or its chair participate in the GSM?	Yes	X	No

(*) Information shall be provided regarding the people that make or made up the Committee during the reporting year.
 (**) Corresponds to the first appointment as a member of the Committee in the reporting Company.
 (***) Fill in only if the member ceased to be part of the Committee during the reporting year.

COMMITTEE 3	
Committee Name:	ETHICS AND GOOD CORPORATE GOVERNANCE COMMITTEE
Established:	27/2/2018
Main Functions:	CONTROLS THE COMPLIANCE OF THE GUIDELINES, MECHANISMS, AND PROCEDURES OF THE COMPANY'S GOOD CORPORATE GOVERNANCE

COMMITTEE MEMBERS (*) FULL NAME:	DATE		POSITION IN THE COMMITTEE			
	START (**)	END (***)				
LUZ EVANGELINA ARIAS VARGAS DE SOLOGUREN	27/2/2018		CHAIR			
VICTORIA ISABEL ARIAS VARGAS	27/2/2018		OFFICIAL MEMBER			
VÍCTOR OSTOLAZA FERNÁNDEZ - PRADA	27/2/2018		OFFICIAL MEMBER			
EDUARDO FERRERO COSTA	27/2/2018		OFFICIAL MEMBER			
JORGE PICASSO SALINAS	27/2/2018		OFFICIAL MEMBER			
JUAN ASSERETO DUHARTE	27/2/2018		ALTERNATE MEMBER			
CAROLINA CASTRO QUIRÓS	27/2/2018		ALTERNATE MEMBER			
RICARDO REVOREDO LUNA	27/2/2018		ALTERNATE MEMBER			
% Independent Directors with respect to the total Committee members			0			
Number of meetings held during the reporting year:			4			
Does it have delegated powers according to article 174 of the General Corporation Law?			Yes		No	X
Does the committee or its chair participate in the GSM?			Yes	X	No	

(*) Information shall be provided regarding the people that make or made up the Committee during the reporting year.
 (**) Corresponds to the first appointment as a member of the Committee in the reporting Company.
 (***) Fill in only if the member ceased to be part of the Committee during the reporting year.

COMMITTEE 4	
Committee Name:	STRATEGY AND SUSTAINABILIGY COMMITTEE
Established:	27/2/2018
Main Functions:	DESIGN, ANALYZE, AND REVIEW THE STRATEGIES AND PLANS FOR THE COMPANY'S DEVELOPMENT

COMMITTEE MEMBERS (*) FULL NAME:	DATE		POSITION IN THE COMMITTEE			
	START (**)	END (***)				
LUZ EVANGELINA ARIAS VARGAS DE SOLOGUREN	27/2/2018		CHAIR			
JOSÉ PICASSO SALINAS	27/2/2018		OFFICIAL MEMBER			
WALTER SOLOGUREN JORDAN	27/2/2018		OFFICIAL MEMBER			
JOSÉ NÉSTOR MARÚN	27/2/2018		OFFICIAL MEMBER			
JOSÉ DE BERNARDIS CUGLIEVAN	27/2/2018		OFFICIAL MEMBER			
VÍCTOR OSTOLAZA FERNÁNDEZ - PRADA	27/2/2018		ALTERNATE MEMBER			
JUAN PROAÑO ARIAS	27/2/2018		ALTERNATE MEMBER			
JORGE PICASSO SALINAS	27/2/2018		ALTERNATE MEMBER			
% Independent Directors with respect to the total Committee members			20			
Number of meetings held during the reporting year:			3			
Does it have delegated powers according to article 174 of the General Corporation Law?			Sí		No	X
Does the committee or its chair participate in the GSM?			Sí	X	No	

(*) Information shall be provided regarding the people that make or made up the Committee during the reporting year.
 (**) Corresponds to the first appointment as a member of the Committee in the reporting Company.
 (***) Fill in only if the member ceased to be part of the Committee during the reporting year.

COMMITTEE 5	
Committee Name:	
Established:	
Main Functions:	

COMMITTEE MEMBERS (*) FULL NAME:	DATE		POSITION IN THE COMMITTEE			
	START (**)	END (***)				
% Independent Directors with respect to the total Committee members						
Number of meetings held during the reporting year:						
Does it have delegated powers according to article 174 of the General Corporation Law?			Sí		No	
Does the committee or its chair participate in the GSM?			Sí		No	

(*) Information shall be provided regarding the people that make or made up the Committee during the reporting year.
 (**) Corresponds to the first appointment as a member of the Committee in the reporting Company.
 (***) Fill in only if the member ceased to be part of the Committee during the reporting year.

Principle 22: Ethics Code and Conflicts of Interest

Question III.15

	YES	NO	EXPLANATION:
Does the Company adopt measures to prevent, detect, handle and reveal any conflicts of interest that may occur?	X		

State, if applicable, what is the area and/or who is the person responsible for follow-up and control of any possible conflicts of interest. If there is a person in charge, include his/her position and the area he/she works in.

RESPONSIBLE AREA	BOARD OF DIRECTORS
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RESPONSIBLE PERSON		
FULL NAME	POSITION	AREA

Question III.16 / Compliance

	YES	NO	EXPLANATION:
a. Does the Company have a Code of Ethics (*) which compliance is binding for its Directors, managers, officers and other employees (**), which includes certain ethical principles and professional liability criteria including handling potential conflict of interest situations?	X		
b. Does the Board of Directors or the General Management approve training programs for the compliance with the Code of Ethics?	X		

(*) The Code of Ethics can be part of the Internal Code of Conduct.

(**) The term employees shall include all the people that hold any kind of working relation with the Company, regardless their working regime or modality.

If the Company has a Code of Ethics, state the following:

a. It is available to:

	YES	NO
Shareholders	X	
Any person to which it is applicable	X	
The general public		X

b. State, what is the area and/or who is the person responsible for follow-up of and compliance with the Code of Ethics. If there is a person in charge, include his/her position and the area he/she works in and who does he/she report to.

Responsible Area	INTEGRATED MANAGEMENT SYSTEM AND SOCIAL RESPONSIBILITY MANAGEMENT
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RESPONSIBLE PERSON			
FULL NAME	POSITIO	AREA	PERSON TO WHOM HE/SHE REPORTS TO
WALTER TEODORO MARTÍN DÍAZ MEYZAN	GERENTE DEL SIG	GERENCIA DEL SISTEMA INTEGRADO DE GESTIÓN Y RESPONSABILIDAD SOCIAL	GERENCIA GENERAL

c. Is there a record of cases of non-compliance with this Code?

Yes	X	No
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d. State the number of non-compliance cases detected or informed during the reporting year, as established in the Code.

NUMBER OF NON-COMPLIANCE CASES	0
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Question III.17

	YES	NO	EXPLANATION:
a. Does the Company have reporting mechanisms to inform about any illegal or unethical behavior that guarantee the confidentiality of the person reporting such behavior?	X		THROUGH THE ETHICS CHANNEL
b. Are the reports submitted directly to the Auditing Committee when these involve accountancy issues or the General or Financial Management?	X		THERE HAVE BEEN NO CASES REPORTED

Question III.18

	YES	NO	EXPLANATION:
a. Is the Board of Directors responsible for follow-up and control of any possible conflicts of interest that may arise in the el Board of Directors?	X		
b. If the Company is not a financial institution, does it have a policy stating that the Board of Directors members are not allowed to receive any loans from the Company or from any other company of its economic group, unless they have the authorization of the Board of Directors?		X	THERE IS NO SUCH POLICY, BUT THE SITUATION HAS NEVER COME UP
c. If the Company is not a financial institution, does it have a policy stating that the Senior Management members are not allowed to receive any loans from the Company or from any other company of its economic group, unless they have the authorization of the Board of Directors?		X	THE COMPANY DOES NOT HAVE SUCH A POLICY

a. Provide the following information regarding the Senior Management members who are que shareholders of the Company with a participation equal to or above 5%.

FULL NAME	POSITION	NUMBER OF SHARES	% OF THE TOTAL NUMBER OF SHARES
% OF THE TOTAL SHARES HELD BY MEMBERS OF THE SENIOR MANAGEMENT			

b.State if any member of the Board of Directors or the Senior Management of the Company is the spouse of, or is related to, in the first or second degree of consanguinity, or if they are relatives in the first degree of affinity of:

FULL NAME	RELATION WITH:			DIRECTOR / MANAGER'S FULL NAME	AFFINITY (**)	ADDITIONAL INFORMATION (***)
	SHAREHOLDER (*)	DIRECTOR	SENIOR MANAGEMENT			
LUZ EVANGELINA ARIAS VARGAS		X		VICTORIA ISABEL ARIAS VARGAS	2 DEG CONSANG	DIRECTOR
	X	X		ANA CAROLINA ARIAS VARGAS	2 DEG CONSANG	DIRECTOR
	X	X		WALTER SOLOGUREN JORDAN	SPOUSE	DIRECTOR
VICTORIA ISABEL ARIAS VARGAS	X	X		LUZ EVANGELINA ARIAS VARGAS	2 DEG CONSANG	DIRECTOR
	X	X		ANA CAROLINA ARIAS VARGAS	2 DEG CONSANG	DIRECTOR
ANA CAROLINA ARIAS VARGAS	X	X		LUZ EVANGELINA ARIAS VARGAS	2 DEG CONSANG	DIRECTOR
	X	X		VICTORIA ISABEL ARIAS VARGAS	2 DEG CONSANG	DIRECTOR
		X		JOSÉ PICASSO SALINAS	SPOUSE	DIRECTOR
JOSÉ PICASSO SALINAS		X		ANA CAROLINA ARIAS VARGAS	SPOUSE	DIRECTOR
	X	X		JORGE PICASSO SALINAS	2 DEG CONSANG	DIRECTOR
		X		RAFAEL PICASSO SALINAS	2 DEG CONSANG	DIRECTOR
WALTER SOLOGUREN JORDAN	X	X		LUZ EVANGELINA ARIAS VARGAS	SPOUSE	DIRECTOR

(*) Shareholders with participation equal to or greater than 5% of the capital stock.
 (**) For relationship purposes, the relationship criteria contained in the Regulation on Indirect Property, Relation and Economic Groups shall apply.
 (***) If there is a relation with any shareholder, include his/her share participation. In case there is a relation with any member of the management, include his/her position.

c. If any member of the Board of Directors holds or has held a managerial position in the Company during the reporting year, provide the following information:

FULL NAME	MANAGERIAL POSITION HELD	DATE IN MANAGERIAL POSITION	
		START (*)	END (**)

(*) Corresponds to the first appointment as a manager in the reporting Company.
 (**) Fill in only if the member ceased to be a Manager during the reporting year.

d. If any member of the Board of Directors or Senior Management of the Company has held any type of business or contract relation with the Company, which may have been significant due to its amount or substance, provide the following information.

FULL NAME	TYPE OF RELATION	BRIEF DESCRIPTION

Principle 23: Transactions with Related Parties

Question III.19

	YES	NO	EXPLANATION:
a. Does the Board of Directors have policies and procedures for the valuation, approval and disclosure of certain transactions between the Company and related parties, as well as to learn about direct or indirect business or personal relations that the Directors hold among them, with the Company, with its suppliers or customers and any other stakeholders?		X	THE COMPANY DOES NOT HAVE SUCH POLICIES BUT DOES THE WORK
b. In the event of especially relevant or complex transactions, does the Company consider the intervention of external advisors for their evaluation?	X		IF THE COMPANY DEEMS IT NECESSARY, IT WILL REQUEST ADVICE

a. If the answer to paragraph a) in Question III.19, is YES, state the area(s) of the Company responsible for dealing with transactions with related parties in the following aspects:

ASPECTS	RESPONSIBLE AREA
Valuation	
Approval	
Disclosure	

b. Specify the procedures for the approval of transactions among related parties:

--

c. Specify those transactions carried out between the Company and its related parties during the reporting year which have been important both due to their amount or substance.

FULL NAME OR CORPORATE NAME OF THE RELATED PARTY	TYPE OF RELATION (*)	TYPE OF TRANSACTION	AMOUNT (\$/.)

(*) For relationship purposes, the relationship criteria contained in the Regulation on Indirect Property, Relation and Economic Groups shall apply.

d. Specify if the Company sets limits to transactions with related parties:

Yes	No
-----	----

Principle 24: Senior Management Functions

Question III.20 / Compliance

	YES	NO	EXPLANATION:
a. Does the Company have a clear policy on function delimitation between the management or administration exercised by the Board of Directors, the ordinary Senior Management positions and the General Manager leadership?	X		IT IS ESTABLISHED IN THE BY-LAWS AND IN THE REGULATIONS OF THE EXECUTIVE COMMITTEE
b. Are the appointments of the General Manager and the Chair of the Board of Directors made by different people?	X		
c. Does the Senior Management have enough autonomy to perform its assigned functions, within the framework of the policies and guidelines defined by the Board of Directors, and under its control?	X		
d. Is the General Management responsible for the compliance with the submittal of information to the Board of Directors and its Directors?	X		
e. Does the Board of Directors annually assess the performance of the General Management with respect to well defined standards?	X		
f. Does the salary of the Senior Management have fixed and variable components, which consider the Company's results, based on a prudent and responsible risk assumption and on meeting the goals set in the corresponding plans?		X	IT HAS A FIXED COMPONENT

a. Provide the following information regarding the salary paid to the General Managers and managers of the Company (including bonuses).

POSITION	SALARY (*)	
	FIXED	VARIABLE
GENERAL MANAGER		0.006
MANAGERS		0.011

(*) Specify the percentage that the total annual salary of the Seminar Managers represents with respect to the level of gross income, according to the Company's financial statement

b. If the Company gives the Senior Management any bonuses or compensation payments different to the ones included in the law, specify how these are paid.

	GENERAL MANAGER	MANAGERS
In shares		
In options		
In cash	X	
Others/specify		

c. If there is a variable component in the salary, specify what are the main aspects considered to determine such component.

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d. State if el Board of Directors assessed the General Management's performance during the reporting year.

Yes	No	X
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PILAR IV: Risk and Compliance

Principle 25: Risk Management System

Question IV.1

	YES	NO	EXPLANATION:
a. Does the Board of Directors approve a comprehensive risk management policy according to its size and complexity, promoting a risk management culture inside the Company, from the Board of Directors and the Senior Management down to the workers?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	THE COMPANY DOES NOT HAVE SUCH POLICIES BUT DOES THE WORK
b. Does the comprehensive risk management policy touch every corporation that is part of the group allowing for a global vision of the critical risks?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NOT APPLICABLE

Does the Company have a risk management delegation policy to establish the risk limits that can be managed by each Company level?

Yes	No	X
-----	----	----------

Question IV.2

	YES	NO	EXPLANATION:
a. Does the General Management manage the risks that the Company is prone to and informs about them to the Board of Directors?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Is the General Management responsible for the risk management system, in case there is no Risk Committee or Risk Management area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Does the Company have a Risk Manager?

Yes	No	X
-----	----	----------

If the answer is Yes, provide the following information:

FULL NAME	POSITION DATE		AREA / REPORTING BODY
	START (*)	END (**)	

(*) Corresponds to the first appointment in the reporting Company.
 (**) Fill in only if the member ceased to exercise this position during the reporting year

Question IV.3

	YES	NO	EXPLANATION:
Does the Company have internal and external control systems which efficacy and adequacy is supervised by the Company's Board of Directors?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	THE COMPANY HAS INDEPENDENT INTERNAL AUDITORS WHO REPORT TO THE BOARD OF DIRECTORS AND TO THE AUDITING COMMITTEE

Principle 26: Internal Audit

Question IV.4

	YES	NO	EXPLANATION:
a. Does the internal auditor perform exclusive auditing functions? Does he/she have autonomy, expertise and specialization in the topics he/ she overlooks and independence to follow up and assess the risk management system efficiently?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Does the internal auditor perform an ongoing assessment to make sure that all the financial information produced or registered by the Company is valid and reliable? Does the internal auditor verify the efficacy of regulation compliance?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
c. Does the internal auditor report directly to the Auditing Committee about his/her plans, budget, activities, progress, results obtained, and actions undertaken?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	YES. AND IT ALSO REPORTS TO THE BOARD OF DIRECTORS

a. State if the Company has an independent internal auditing area.

Yes	X	No
-----	----------	----

If the answer to the question above is YES, specify who, in the Company's organizational flowchart is the internal auditing area accountable to.

REPORTS TO:	AUDITING COMMITTEE / BOARD OF DIRECTORS
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b. State if the Company has an Internal Corporate Auditor.

Yes	No	X
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State what are the main responsibilities of the person responsible for the internal auditing function and if he/she performs other functions besides the internal auditing ones.

RISK AUDITING

Question IV.5

	YES	NO	EXPLANATION:
Does the appointment and dismissal of the Internal Auditor correspond to the Board of Directors, as proposed by the Auditing Committee?	X		

Principle 27: External Auditors

Question IV.6

	YES	NO	EXPLANATION:
Does the GSM designate an auditing Company or an independent auditor upon recommendation of the Board of Directors? Are these clearly independent from the Company?		X	THE GSM DELEGATES THE APPOINTMENT OF EXTERNAL AUDITORS TO THE BOD. THESE ARE INDEPENDENT AUDITORS

a. Does the Company have a policy to appoint an External Auditor?

Yes	No	X
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If the answer to the question above is YES, describe the procedure to hire an auditing company responsible for verifying the annual financial statement (including the identification of the Company area responsible for selecting the auditing Company).

b. If the auditing company has already performed other services, besides the account auditing service, state if such contract was informed to the GSM, including the percentage this service represents out of the total amount charged by the auditing company to the Company.

Yes	No	
-----	----	--

c. Do the people or institutions related to the auditing company provide any services to the Company, besides account auditing services?

Yes	No	X
-----	----	----------

If the answer to the question above is YES, provide the following information on any additional services provided by people or entities related to the auditing company in the reporting year.

FULL NAME OR CORPORATE NAME	ADDITIONAL SERVICES	% SALARY (*)

(*) Billing of additional services besides the charges of the auditing services.

d. State if the auditing company has used different teams, if it has provided additional services besides the account auditing services.

Yes	No	
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Question IV.7

	YES	NO	EXPLANATION:
a. Does the Company have a policy to renew its independent auditor or auditing company?		X	THE BOD, UPON DELEGATION BY THE JSM, DECIDES IF IT IS CONVENIENT TO RENEW OR NOT THE AUDITING COMPANY
b. In the event such policy provides for longer terms for the renewal of the auditing company, does the company working team rotate every five (5) years as maximum?		X	WE DO NOT HAVE SUCH A POLICY

Provide the following information about the auditing companies that have provided their services to the Company over the last five (5) years.

CORPORATE NAME OF THE AUDITING COMPANY	SERVICE (*)	PERIOD	COMPEN-SATION (**)	% OF THE AU-DITING COM-PANY INCOME
KPMG	FINANCIAL STATEMENT AUDITING		100	
KPMG	FINANCIAL STATEMENT AUDITING		100	
KPMG	FINANCIAL STATEMENT AUDITING		100	
KPMG	FINANCIAL STATEMENT AUDITING		100	
KPMG	FINANCIAL STATEMENT AUDITING		100	

(*) Include all type of services, such as reports on financial information, accounting appraisals, operational audits, systems audits, tax audits, or any other services.

(**) Out of the total amount paid to the auditing company for the different services, state the percentage corresponding to the compensation for financial auditing services only.

Question IV.8

	YES	NO	EXPLANATION:
In the case of economic groups, is the external auditor the same one for the entire group, including off-shore branches?		X	NOT APPLICABLE

State if the auditing company hired to report on the Company's financial statement corresponding to this reporting year, reported on the financial statements of the other companies of the reporting Company's economic group for this same year.

Yes		No	
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If the answer to the question above is YES, provide the following information:

CORPORATE NAME OF THE COMPANIES IN THE ECONOMIC GROUP

PILAR V: Information Transparency

Principle 28: Information Policy

Question V.1

	YES	NO	EXPLANATION:
Does the company have an information policy for the shareholders, investors, other stakeholders and the market, in general, through which it defines in a formal, organized and comprehensive manner the guidelines, standards and criteria to be applied in the management, collection, design, classification, organization and/or distribution of the information generated or received by the Company?		X	HOWEVER, ALL THE RELEVANT INFORMATION FOR THE SHAREHOLDERS, INVESTORS, STAKEHOLDERS, AND THE MARKET, IN GENERAL IS PUBLISHED IN THE ANNUAL SUSTAINABILITY REPORT, IN THE SMV'S WEBSITE (IMPORTANT FACTS) AND IN THE CORPORATE WEBSITE

a. If applicable, state if according to its information policy, the Company disseminates the

	SI	NO
Company purpose	X	
List of Board of Directors and Senior Management members	X	
Shareholding structure	X	
Description of the economic group it belongs to		
Financial statement and annual report	X	
Other / Specify		

b. Does the company have a corporate web site?

Yes	X	No	
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The corporate web site includes the following:

	SI	NO
A special section on corporate governance or relationships with shareholders and investors, including a Corporate Governance Report		X
Important Facts	X	
Financial Information	X	
By-laws	X	
GSM regulation and information about the meetings (attendance, minutes, other)		X
Board of Directors Composition and its Regulation	X	
Code of Ethics	X	
Risk Policy		X
Social Corporate Responsibility (community, environment, other)	X	
Other / Specify		

Question V.2

	YES	NO	EXPLANATION:
¿Does the Company have an Investor Relationship Office?		X	THE COMPANY DOES NOT HAVE AN OFFICE FOR SUCH PURPOSE

If the Company has an Investor Relationship Office, state who the person in charge is.

PERSON RESPONSIBLE FOR THE INVESTOR RELATIONSHIP OFFICE

If the Company does not have an Investor Relationship Office, what is the body (department/area) or person responsible for receiving and processing information requests from the Shareholders and general public? If it is a person, fill in his/her position and working area.

RESPONSIBLE AREA	GENERAL MANAGEMENT	
RESPONSIBLE PERSON		
FULL NAME	POSITION	AREA
RUSSELL MARCELO SANTILLANA SALAS	GENERAL MANAGER	GENERAL MANAGEMENT

Principle 29: Financial Statement and Annual Report

If the auditor has made any observations to the report, have these observations been explained and/or justified to the shareholders?

Yes	No	X
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Principle 30: Information about the shareholding structure and shareholder agreements

Question V.3

	YES	NO	EXPLANATION:
Does the Company disclose the shareholding structure, considering the different class of shares, and if applicable, the joint participation of a given economic group?	X		THE INFORMATION ON THE SHAREHOLDER STRUCTURE IS PUBLISHED IN THE ANNUAL REPORT

Specify the Company's shareholding structure as of the end of the reporting year.

HOLDING OF VOTING SHARES	NUMBER OF HOLDERS (AS OF THE END OF THE REPORTING YEAR)	% CAPITAL STOCK
Less than 1%	257	2.3
Between 1% and 5%	1	4.25
Between 5% and 10%	2	19.26
Less than 1%	5	74.19
Total	265	100

HOLDING OF NON-VOTING SHARES (IF APPLICABLE)	NUMBER OF HOLDERS (AS OF THE END OF THE REPORTING YEAR)	% CAPITAL STOCK
Less than 1%		
Between 1% and 5%		
Between 5% and 10%		
More than 10%		
Total		

HOLDING OF INVETMENT SHARES (IF APPLICABLE)	NUMBER OF HOLDERS (AS OF THE END OF THE REPORTING YEAR)	% CAPITAL STOCK
Less than 1%		
Between 1% and 5%		
Between 5% and 10%		
More than 10%		
Total		

NUMBER OF OUTSTANDING SHARES AS A PERCENTAGE OF THE CAPITAL STOCK:	0
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Question V.4

	YES	NO	EXPLANATION:
Does the Company inform about covenants or agreements between shareholders?		X	AGREEMENTS ARE DISCLOSED TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS

a. Does the Company have any register of shareholders agreements in force?

Yes	X	No
-----	----------	----

b. If any shareholders agreement or covenant has been informed to the Company during the reporting year, specify what the matter of each one of them is.

Election of the Board of Directors members	
Right to vote in the meetings	
Restriction to free transfer of shares	
Changes in Company's internal regulations or by-laws	
Other /Specify	

Principle 31: Corporate Governance Report

Question V.5

	YES	NO	EXPLANATION:
Does the Company disclose the standards adopted regarding corporate governance in an annual report, which content is the responsibility of the Board of Directors, after receiving the report of the Auditing Committee, Corporate Government Committee or an external consultant, if applicable?	X		THEY ARE DISCLOSED IN THE ANNUAL REPORT

a. The Company has mechanisms for internal and external dissemination of corporate governance practices

Yes	X	No
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If the answer above is yes, specify the mechanisms used.

THEY ARE DISCLOSED IN THE CORPORATE WEBSITE
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SECTION C: Company Documents Content

State in which of the following Company document(s) are the following topics regulated:

		PRINCIPLE	BY-LAWS	INTERNAL REGULATION (*)	MANUAL	OTHER	NOT REGULATED	NOT APPLICABLE	DOCUMENT NAME (**)
1	Non-voting rights shares redemption or exchange policy								
2	Registry method for share property and person responsible for the record	2	X			X			
3	Procedures to select an external auditor to give an independent opinion on the Board of Directors corporate proposals that may affect the shareholders right to non-dilution	3					X		
4	Procedure to receive and respond to information requests and opinions of the shareholders	4					X		
5	Profit sharing policy	5				X			
6	Non-adoption of anti-absorption mechanism policies or agreements	6					X		
7	Arbitration agreement	7					X		
8	Company Directors selection policy	8					X		
9	Company Directors salary policy	8	X						
10	Mechanisms to provide shareholders with information related to GSM agenda items and agreement proposals	10					X		
11	Additional means used by the Company to call meetings besides those established by law	10					X		

		PRINCIPLE	BY-LAWS	INTERNAL REGULATION (*)	MANUAL	OTHER	NOT REGULATED	NOT APPLICABLE	DOCUMENT NAME (**)
12	Additional mechanisms allowing shareholders to submit proposals for agenda items to be discussed at the GSM.	11					X		
13	Procedures to accept or deny shareholders proposals to include agenda items to be discussed at the GSM	11					X		
14	Mechanisms to allow remote participation of shareholders	12					X		
15	Procedures for shareholders to cast differentiated votes	12					X		
16	Procedures to be met regarding vote delegation	13					X		
17	Requirements and formalities for a shareholder to be represented at a meeting	13	X						
18	Procedures to delegate votes in favor of the Board of Directors or Senior Management members.	13					X		
19	Procedure to follow-up on GSM agreements	14				X			
20	Minimum and maximum number of Directors that conform the Company's Board of Directors	15	X						
21	Duties, rights and functions of the Company Directors	17	X						
22	Type of bonuses received by the Board of Director for meeting Company goals	17					X		
23	Policy for hiring advisory services for the Directors	17					X		
24	Induction policy for new Directors	17					X		
25	Special requirements to become an Independent Director of the Company	19				X			

		PRINCIPLE	BY-LAWS	INTERNAL REGULATION (*)	MANUAL	OTHER	NOT REGULATED	NOT APPLICABLE	DOCUMENT NAME (**)
26	Criteria to assess the performance of the Board of Directors and its members	20					X		
27	Policy to determine follow-up and control of possible conflicts of interests	22					X		
28	Policy to define the procedure to assess, approve and disclose transactions with related parties	23					X		
29	Responsibilities and functions of the Chair of the Board of Directors, CEO, General Manager and other officers holding Senior Management positions	24	X			X			
30	Criteria to assess Senior Management performance	24				X			
31	Policy to fix and assess the Senior Management salaries	24				X			
32	Comprehensive Risk Management Policy	25				X			
33	Responsibilities of the Internal Auditor.	26				X			
34	Policy to appoint an External Auditor, duration of the contract and renewal criteria.	27				X			
35	Policy to disclose and communicate information to the investors	28				X			

(*) Includes GSM Regulations, Board of Directors Regulation or other issued by the Company.
 (**) State the name of the document, except for Company By-laws.

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SECTION D:
Other information of interest³

We do not have any additional information to present.

³ Se incluye otra información de interés no tratada en las secciones anteriores, que contribuya a que el inversionista y los diversos grupos de interés puedan tener un mayor alcance sobre otras prácticas de buen gobierno corporativo implementadas por la Sociedad, así como las prácticas relacionadas con la responsabilidad social corporativa, la relación con inversionistas institucionales, etc. Asimismo, la Sociedad podrá indicar si se ha adherido voluntariamente a otros códigos de principios éticos o de buenas prácticas, internacionales, sectoriales o de otro ámbito, indicando el código y la fecha de adhesión.



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