

# **Corporate Governance Code**

**Banco Macro S.A.**

Revised as of December 2022



## I. CORPORATE GOVERNANCE CONCEPT

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Corporate governance is defined as the manner in which companies are managed, i.e. the manner in which the management body and the senior management conduct the activities and business of the entity.

Corporate governance practices involve the conduct of actions related to management transparency, the interaction with shareholders and investors and corporate social responsibility and an appropriate risk management framework.

These actions are oriented to making the relationship of the listed company with its shareholders and related parties more transparent, lay a solid foundation to manage and oversee the listed company's activities, within its area of responsibility, promoting corporate ethics in each of its operations.

The adoption of such practices provides an incentive for managers so that their decisions take into account the interests of shareholders, employees, clients and suppliers.

In the banking industry it is essential to establish such actions for the purpose of providing protection to depositors.

Thus, and attempting to integrate the economic-financial issues with the social-environmental ones, a positive perception of the company in the market is built and consolidated, resulting in the creation of value for its shareholders and investors in general.

## II. SCOPE OF APPLICATION, PURPOSE AND LIABILITY

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### ***Scope of Application***

The Board of Directors is responsible for overseeing the compliance with the Corporate Governance Policy and the policies, codes, procedures and regulations arising therefrom.

The Code contemplates aspects of Governance, the responsibilities and the performance of the Directors, the General Management and the Managers who

make up the first line of reporting, as responsible for assuming risks. their ethical and professional behavior.

Also, the responsibilities and ethical and conduct guidelines for all employees of the Bank, and its subsidiaries, their interaction with customers, suppliers, control bodies and third parties in general is framed within the provisions of this Code.

### ***Purpose***

The purpose of this Policy is to establish the business practices of Banco Macro in the frame of an adequate integral risks management procedure. These practices promote the transparency and protection of the rights of investors and the public in general.

The business practices are based on strict corporate control, ethical and transparency standards, in order to ensure that the Bank's activities comply with the necessary levels of security and solvency in order to create and maintain value for the Bank, its shareholders and collaborators and to protect depositors.

This Policy shall be applicable to the Bank's subsidiaries as well, and therefore the relevant Boards shall become aware of this Policy and shall express their adherence thereto.

### ***Corporate Governance Policy***

For the purpose of the application of this Policy, the members of the Board of Directors and Senior Management are vested with the following duties and responsibilities.

The Board of Directors has the following responsibilities:

- To promote corporate governance practices, supervise the implementation of the Corporate Governance Code and the corporate principles and values, spreading these principles, reasserting the Management's commitment.
- To promote and revise from time to time the business general strategies and policies of the financial institution.
- To establish acceptable levels of risk appetite and tolerance.
- To evaluate the Senior Management performance and oversee that the

management take the necessary steps to identify, assess, monitor, control and mitigate the undertaken risks.

The Senior Management has the following responsibilities:

- To implement the strategies and policies approved by the Board of Directors.
- To develop procedures aimed at identifying, assessing, monitoring, controlling and mitigating the risks incurred by the Bank.
- To implement appropriate internal control systems and to monitor the effectiveness thereof, reporting from time to time to the Board of Directors on goal compliance.
- Manage employees' abilities and establish training and career programs designed to ensure talent identification, development and retention as well as the construction of second lines or the search of potential replacement candidates in case of unexpected events.

The Board of Directors delegates to the Corporate Governance & Designations Committee the responsibility regarding the implementation, follow-up and assessment of any good practices as to corporate governance described in this document.

### III. APPLICABLE REGULATIONS

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Banco Macro S.A. ("Banco Macro" or the "Bank") is a corporation organized under the laws of Argentina. Also, as a financial institution, its activities are regulated by the Financial Entities Law (*Ley de Entidades Financieras*) No. 21526 and supplementary laws and by the provisions and the regulations issued by the Central Bank of the Republic of Argentina ("BCRA").

Banco Macro has been granted the authorization by the Argentine Securities Exchange Commission (*Comisión Nacional de Valores*) ("CNV") and the Securities Exchange Commission ("SEC") for the public offering of equity securities. It has also obtained the authorization to list and trade its shares on the Buenos Aires Stock Exchange (*Bolsa de Comercio de Buenos Aires*) ("BCBA"), the New York Stock Exchange (NYSE) and the Open Electronic Market (*Mercado Abierto Electrónico*) ("MAE"), respectively.

The Bank's corporate governance policies are governed by the Argentine laws and the Bank's by-laws. The Argentine General Business Company Law No. 19550, as amended, the revised text of the Corporate Governance Guidelines in Financial Entities issued by the Central Bank of the Republic of Argentina ("BCRA"), the Rules of the Argentine Securities Exchange Commission ("CNV") and the NYSE's Rules include the guidelines applicable to the Bank.

The Argentine Securities Exchange Commission, through the CNV's Rules approved by its General Resolution No. 622/13 regulating the Argentine Capital Market Law No. 26831, as amended and supplemented, particularly General Resolution No. 797/2019, spreads the basic contents of the Corporate Governance Code (hereinafter referred to as the "Code"), incorporating the concepts of good corporate governance into business management, in the form of guidelines or recommendations seeking to provide transparency.

The CNV requires from the management body of each issuer the following:

- i) To inform whether issuer applies the recommended principles and practices of the Corporate Governance Code and explain how it applies them, or ii) if issuer does not apply such practices, then explain:
  - a) How issuer complies with such principle through the application of another practice, or b) how issuer evaluates to incorporate in the future the recommended practice or other that meets the principle.
    - If an issuer informs the application of a recommended practice, then it shall include the information regarding the manner in which it applies such recommended practice.
    - If an issuer does not apply a recommended practice, then it shall inform the manner in which it complies with the underlying principle that drives issuer to apply other practice. If there is no practice at all complying with such principle, then issuer shall provide the reasons therefore and describe the actions provided by the Board and the estimated time for the application of practice that meets such principle. In the event there are no actions planned in this respect, the Board shall inform the reasons why it

deems such practice of the Corporate Governance Code is not appropriate for or applicable to the issuer in question.

In addition, Banco Macro must comply with certain requirements established by the NYSE, since it qualifies as private foreign issuer, which requirements include the following:

- Satisfy the audit committee requirements of Rule 10A-3 of the Securities Exchange Law of 1934 (Section 303A.06).
- Provide a brief description of any significant differences between the corporate governance practices of Banco Macro and those followed by U.S. companies under NYSE listing standards (Section 303A.11).
- The Chief Executive Officer - CEO - must promptly notify the NYSE in writing after any executive officer of the Bank becomes aware of any material non-compliance with the applicable NYSE corporate governance rules (Section 303A.12b).
- Submit annually an executed written affirmation to the NYSE (Section 303A.12c) and, furthermore, every time a change occurs in the board of directors or in any of the committees to which Section 303A refers.

The information related to the filings made is available at the Financial Information Highway ([www.cnv.gob.ar](http://www.cnv.gob.ar)), in the NYSE public information base ([www.nyse.com](http://www.nyse.com)) and at the Bank's web page ([www.macro.com.ar](http://www.macro.com.ar)), under the links "About Us – Investor Relations - Financial Information" (<https://www.macro.com.ar/relaciones-inversores/home>).

## **IV. TRANSPARENCY AND PUBLIC INFORMATION**

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### ***A. Information Transparency***

Banco Macro promotes the transparency of its information, providing broad and immediate disclosure of the corporate and financial information to investors, shareholders, customers and the public at large, our interested parties, pursuant to the applicable rules and the best practices in this aspect.

This disclosure complements the publications the Bank is obliged to make to the BCRA and the CNV in compliance with the Information Regimes in place and which are posted in the web sites of such Entities when applicable.

In addition, these requirements are part of the Corporate Governance practices issued by the BCRA, which suggest the incorporation of certain information in Internet sites of the financial entities, such as for example, the document 'Market Discipline'. Besides, there are other rules issued by such Entity that tend to the public disclosure of information, such as the Transparency Information Regime, in connection with the costs and services of certain products.

Furthermore, in its capacity as listed Company, all the information required to be disclosed under the rules and regulations on Public Information Transparency (Law 26831, Regulatory Decree No. 1203/13) and under Title "Public Offering Transparency" of the CNV's Rules, is shown in CNV's Web Site.

Banco Macro has detailed procedures for the generation, control and approval of the information originated about the Bank and its subsidiaries. The purpose of such procedures is to have at all times clear, complete, relevant, reliable, comparable, timely and available information.

On the other hand, the Bank has a continuous process to evaluate whether the published information, the validation and frequency thereof are adequate and whether it transmits users a complete image of its risk profile and its consistency with other information submitted to the BCRA and to third parties, particularly with the audited financial statements.

## ***B. Investor Relations***

The Bank designated a person responsible for Investors Relations whose function is to create and maintain relationships with institutional investors, analysts and other agents of the local and international financial system.

The transparency rule in information disclosure is supplemented with the disposition and willingness to deal with the worries and queries of any interested party (shareholders, investors, etc.).

Among its functions, the Head of Investors Relations is in charge of organizing on a periodic basis conference calls or meetings through other electronic means of communication with investors, at which he/she shall submit the relevant quarterly income statement, which is as well available in the Website, in the public information section.

### ***C. Market Discipline***

The purpose of the information to be disclosed by the financial entities is to allow market players to evaluate the information regarding capital, assess risk exposure and determine capital sufficiency of an institution.

Apart from the information requirements provided for in this regulation, it's the Board who undertakes the obligation to disclose the risk profile of the entity. Therefore, the entity shall disclose any additional information it deems relevant to ensure an appropriate transparency of its administration and risk assessment, as well as the adequacy of its capital.

Notwithstanding the above, in the event the disclosure of certain required information causes an undue exposure of the entity upon disclosing information that is private or confidential, Banco Macro shall not be obliged to publish such specific data or information. In these cases, the entity shall disclose more general information regarding such requirement and shall explain the reason for not providing the required specific data, except when such general information is private<sup>1</sup> or confidential as well.

The Corporate Governance and Designations Committee, as the body in charge of seeing to the application of the Corporate Governance Policy, will be responsible for ensuring the existence of an adequate procedure for the preparation, adequacy, accuracy and consistency and significance of the information to be published based on these general guidelines.

### ***D. Customer Service***

In order to listen and keep in touch with one of the main interested parties in the

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<sup>1</sup> Private information means information that, if in possession of competitors, would reduce the value of the investment in the entity and would harm such entity's competitive position. Information shall be deemed confidential if there are any obligations with third parties implying confidentiality duties for such entity.



financial business, customers, the Bank features a Customer Service platform that includes different channels for customers to submit any queries and claims or complaints.

The Bank designated a person responsible for this service, who has policies and procedures and is subject to regular internal audits and supervision by the control entities, ensuring an adequate handling of all matters.

The Bank has created the Financial Services Customer Protection Committee, formed by one Director, and the Head of Customer Service, among others, and the function of which is to see to the implementation and compliance of the good practices regarding Financial Services Customer Protection, spread the Policy within the organization so that all employees are aware thereof as a means to maintain adequate relationships with customers and monitor the adequate functioning of all processes related to the protection of users of financial services.

#### ***E. Minimum information subject to disclosure***

Banco Macro S.A. shall disclose at least the following information, through a web site specially designed for this purpose:

- A list of its main shareholders.
- A list of the Bank's controlled and related companies.
- A list of the members of the Board of Directors, the Supervisory Committee, Committees, General Manager and Senior Management members.
- Code of Ethics and Code of Business Conduct
- The rules and regulations of the Designations and Corporate Governance Committee, the Incentives Committee and the Ethics and Compliance Committee.
- Corporate Governance Policy, the Corporate Governance Explanatory Report and Comparative Report of Corporate Governance Rules in force in Argentina as compared to those applicable in the United States (SEC)
- Financial Agent Role (Financial Statements)
- Financial Statements and Annual Report (Integrated Annual Sustainability Report)
- Operations with subsidiaries and/or related companies (Financial Statements)
- Quarterly Statements of Results
- Market Discipline
- Links to the BCRA, CNV and SEC Web sites that post and disclose public information of the Bank and its subsidiaries.
- Information on gender representation.

## V. INTEGRITY, ETHICS AND COMPLIANCE

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The Board promotes the organization's culture of ethics, and together with Senior Management, they are both responsible for leading all employees and guiding them in the compliance with all defined standards. The Board has established that the Designations and Corporate Governance Committee is responsible for the implementation, monitoring and follow-up of all Corporate Governance practices.

The Bank's ethics and conduct framework is composed of the following elements, which interrelated, constitute the defense line for compliance with all internal and external rules.

### **A. Code of Ethics and Conduct**

The Bank has adopted a **Code of Ethics** applicable to directors and Senior Management members.

The Bank expects all of its representatives to act in accordance with the highest levels of personal and professional integrity in all issues related to their activities, to comply with the applicable laws, to discourage the commission of punishable acts and to comply with the Bank's Code of Conduct and further policies and procedures that regulate the conduct of its employees. The Code of Ethics supplements the Bank's Code of Conduct.

The Code of Conduct is intended to establish the standards and values to be respected by all the members of the Bank. The trust delivered by shareholders, customers and the public in general depends mostly on compliance of these standards.

Banco Macro promotes a work environment that stimulates responsibility, effectiveness, commitment, results, loyalty, honesty, good communication and teamwork.

Our goal is to build day-to-day relations on mutual respect, trust and cordial and simple manners, both between co-workers and bosses and suppliers and customers, conducting all activities in accordance with the highest labor and personal ethical standards.

Accordingly, all the employees and collaborators of the Bank become aware of the standards of ethics and conduct defined by the Management and undertake to comply with such standards at all times. This plan is supplemented by training sessions or specific communication actions regarding the plan in general or particular situations that need to be emphasized. The Management and Senior Management are in charge of directing and leading all actions in this regard, ensuring a guide of conduct from the top down to the organization.

### **B. Anti-Corruption Policy – Integrity Program**

The Board establishes for all officers and employees of the Bank and its subsidiary companies, the express prohibition to offer to pay or to pay, to promise to pay or to authorize the payment of an amount of money or any other thing of value to any officer (either in the public or private sector) aimed at obtaining or keeping any business. These guidelines are contained in the Code of Ethics for Officers and the Code of Conduct applicable to all employees of the Bank. In addition, we feature a Code of Conduct applicable to Vendors or Suppliers, which adheres to these standards and guidelines.

The Argentine Corporate Criminal Liability Law (Act No. 27401), applicable to private legal entities, whose corporate capital is either national or foreign, with or without state-owned participating interest, lists the following criminal offenses:

- a) national and transnational bribery and influence peddling provided for in section 258<sup>2</sup> and section 258bis<sup>3</sup> of the Argentine Criminal Code;

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<sup>2</sup> **Section 258.**- Any person who, personally or through an intermediary, gives or offers money or any gift for the purpose of soliciting a public official to carry out any of the conducts prevented by sections 256 and 256bis, paragraph 1, shall be punished with imprisonment of one to six years. If money or a gift is given or offered to a public official with the purpose of soliciting any of the conducts described in Section 256bis, Paragraph 2 and Section 257, as mentioned above, the punishment shall be imprisonment of two to six years. If the perpetrator is a public official, special disqualification of two to six years shall also be imposed in the first case, and disqualification of three to 10 years in the second case.

*Section 256.- Any public official who, personally or by means of an intermediary, receives money or any other gift or, directly or indirectly accepts promise of such in order to carry out, delay or not to do something in relation to his or her duties shall be punished with imprisonment of one to six years and special disqualification for life.*

*Section 256bis.- Any public official who, personally or through an intermediary, requests or receives money or any other gift or directly or indirectly accepts promise of such in order to make unlawful use of his or her influence before a public official, with the purpose of having such official do, delay or not do something in relation to his or her duties, shall be punished with imprisonment of one to six years and special disqualification from holding public office for life. (...)*

<sup>3</sup> **Section 258bis.**- Any person who, directly or indirectly, offers, promises or gives, unlawfully, to a public official of a foreign State or of a public international organization, whether in his/her own benefit or that of a third party, a monetary sum or any other object of monetary value or other compensation such as gratuities, favors, promises or advantages, in exchange for such public official to do or abstain

- b) improper and unlawful transactions of public officials provided for in section 265<sup>4</sup> of the Argentine Criminal Code;
- c) illegal exaction committed by public officials under section 268<sup>5</sup> of the Argentine Criminal Code;
- d) illicit enrichment of public officials and employees under section 268 (1) and (2)<sup>6</sup> of the Argentine Criminal Code; and
- e) forgery of balance sheets and reports to conceal a corruption offense under section 300*bis*<sup>7</sup> of the Argentine Criminal Code.

On the other hand, laws of other jurisdictions containing similar prohibitions shall apply as well, particularly the Foreign Corrupt Practices Act – FCPA since Banco Macro S.A. is a foreign company listing its shares in the NYSE and is subject to the control and supervision of the SEC.

Failure to comply with the provisions of the Foreign Corrupt Practices Act (FCPA) originates fines and significant economic penalties for both the companies and the

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from doing an act related to the exercise of such officials public functions, or to assert the influence derived from such officials position, in a matter related to a transaction of an economic, financial or commercial nature, shall be punished with a prison term from one (1) to six (6) years and special disqualification for holding public office for life.

<sup>4</sup> **Section 265.-** Any public official who, personally or through an intermediary or through a pretended act, is interested for his or her own benefit or the benefit of a third party, in any contract or transaction in which such public official intervenes due to the office he or she holds shall be punished with imprisonment of one to six years and special disqualification for life. This provision shall apply to arbitrators, amicable conciliators, experts, accountants, guardians, curators, executors, liquidators and syndics, with respect to the functions performed as such.

<sup>5</sup> **Section 268.-** Any public official who turns to his or her own benefit or to the benefit of a third party the exactions mentioned in the preceding sections, shall be punished with imprisonment of two to six years and absolute disqualification for life.

*Section 266.- (...) any public official who, abusing his position, solicits, demands or makes to pay or deliver improperly, by himself or herself or by an intermediary, a contribution, a duty or gift or collects higher duties than the applicable one.*

<sup>6</sup> **Section 268(1).-** Any public official who for profit uses for his or her benefit or for the benefit of any third party, information or data of a confidential nature known by him or her due to his or her position, shall be punished with the penalty under section 256.

**Section 268(2).-** Any public official which upon being duly required, fails to prove or explain the source of an appreciable patrimonial enrichment of yours or of a third person to disguise it, occurring after taking a position or public office and up to two (2) years after having ceased to act as such, shall be punished with imprisonment of two to six years, a fine of fifty to one hundred percent of the value of such enrichment and absolute disqualification for life.

There shall be enrichment both when the patrimony is increased with money, things or property and also when debts or liabilities affecting such patrimony are paid or cancelled. The person used to conceal the enrichment shall be punished with the same penalty as the author of the criminal offense.

<sup>7</sup> **Section 300(2).-** The founder, director, trustee, liquidator or syndic of a corporation or cooperative, or of any other legal entity who knowingly publishes, certifies or authorizes an either false or incomplete inventory, balance sheet, profit and loss account or related reports, minutes, annual reports or provides the shareholders' meeting or directors' meeting with false information on material aspects to the assessment of the company's financial position, whatever the purpose sought.

individuals involved, and also the deterioration of reputation due to the public exposure of these cases.

In addition, the Republic of Argentina has adhered to the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions adopted in 1997 by the Organization for Economic Co-operation and Development (hereinafter referred to as "OECD") and aimed at ensuring free competition as well as competition free from corrupt practices (Anti-Bribery Convention).

On the other part, the Guide on Good Practices regarding Internal Controls, Ethics and Compliance directly addresses the anti-corruption programs for global companies and requires the adoption of good practices.

Furthermore, Section 18 of the Argentine Law of Ethics in Public Officials Performance (Act No. 25188) establishes that public officials shall not accept gifts, presents or donations, whether things, services or goods, for or due to the performance of their duties or functions.

The group companies intending to do any business involving the intervention in any manner whatsoever of a public officer, a public entity or a public company, either of Argentina or any foreign country, must previously communicate this situation to the Board through the General Manager and inform before completing the transaction or business, the agents or intermediaries who might participate in the transaction.

This information requirement shall not apply to the transactions deriving from provincial financial agency agreements (save the execution of the master agreements itself), ordinary bank transactions (for example, relationship derived from payroll payment), and those that due to their insignificant amounts do not involve material risk.

Although these anti-corruption practices are oriented to transactions with the public sector, they are the same applicable to transactions between private entities, this being an aspect specifically provided for in the Code of Ethics and Business Conduct.

The Bank features an Anticorruption Policy and an Integrity Program based on the recommendations and good practices of several specialized entities, among them the document of the Anti-corruption Office. The Ethics and Compliance Committee

shall be responsible to see for the application of this Policy, the follow-up and periodic reporting to the Board. Besides, the Bank has designated a Senior Management member to act as the person in charge of implementing the Integrity Program.

The Integrity Program includes:

- i) Making regular training sessions or information actions targeted to directors, senior management, employees and third parties, on integrity, compliance and ethics matters.
- ii) A reporting line and a defined protocol to address such reports.
- iii) Protection against retaliation for any person filing a report.
- iv) Integrity policies applicable to suppliers/ vendors or third-party business partners.
- v) Regular analysis of the program, including the risk matrix and the monitoring and reporting scheme.
- vi) Guidelines for the interaction with public officials, and also for the identification of vulnerabilities in corporate transformation or acquisitions.
- vii) A Code of Conduct for Suppliers/ Vendors, and guidelines for the relationship with business partners, by establishing contractual clauses.

### ***C. Human Rights Policy***

The strategy and management of Banco Macro is governed by general human rights standards based on international rules and internal policies. These are as follows:

- Respect for equality of opportunities
- Foster inclusion
- Repudiate discrimination
- Reject abusive practices

These standards characteristic of the Bank meet its business model, the corporate principles and the national and international rules and laws regarding human rights; and adjust to the different audiences in order to generate a positive impact on the environments in which it operates either directly related with the banking business or with the value chain.

Banco Macro commits as to human rights, establishing guidelines and commitments to its employees, customers, vendors and the society.

We see to the compliance with the national and international rules and laws

regarding human rights.

In this way, the Policy is based on the following international standards and guidelines:

- Universal Declaration of Human Rights of United Nations.
- International Labor Standards of the International Labor Organization setting out basic principles and rights at work.
- United Nations Guiding Principles on Business and Human Rights.
- OECD's Guidelines for multinational enterprises.
- The Ten Principles of the UN Global Compact.

#### ***D. Corporate Sustainability Policy***

Banco Macro is aware of its responsibility with communities in which it conducts its activities. The area of Corporate Sustainability, accompanies this commitment to developing, promoting and accompanying policies and actions of social, environmental and economic positive impact.

The Bank's Management undertake to spread the same to the rest of the organization and the Society at large, in order to promote a sustainable management and also to be a reference company for the entire Country.

We believe our contribution to society as financial entity is a key element for the development of our country. We commit to creating economic, social and environmental value in the short, medium and long term, for the benefit of our company and of each of our Groups of Interest.

Our goal is to be the most sustainable bank federally speaking. In line with this, we develop a strategy that frames our actions in five pillars and that meet the interests of our key audiences: employees, customers, vendors, shareholders, Government, communication media and local community.

With an eye on the United Nations 2030 Agenda, and the local economic and social reality, we carry out strategic sustainability programs to contribute, from our sector, to the construction of a solid, equitable, inclusive and thriving country.

In this way, sustainability is part of the entity's DNA. We have a Policy and Strategy

that guides us in management, so that our business has a direct and indirect impact on sustainable development.

We promote a healthy financial system. That's why we are constantly generating products and tools for the education of critical, prudent and economically responsible bankarized citizens contributing to the economic growth of the country.

We commit to strengthen the transparency of our rendering of accounts, therefore, for more than 10 years now we decided to measure and communicate the work we carry out through our Sustainability Reports, an annual publication by which we present the economic, social and environmental performance of Banco Macro.

In the year 2014 we took a step forward, submitting the first Integrated Annual Report in Argentina, aimed at consolidating and aligning the financial reporting with the Sustainability information, considering both parts inseparable and essential for an adequate management of the business. We developed this document in accordance with the guidelines established by the International Integrated Reporting Council (IIRC).

### ***E. Ethics Line***

In line with these standards of ethical conduct, has been implemented for Banco Macro and its significant subsidiaries, Macro Securities, Macro Fondos, Macro Fiducia and Argenpay (Viümi) an Ethics Line or complaints channel, managed by an independent third party, ensuring the principles of anonymity and confidentiality.

Complaints are received and handled by the Bank's Ethics and Compliance Committee, according to established protocols.

#### Available channels

Phone: 0800 - 122 - 5768

Mail: [eticagrupomacro@kpmg.com.ar](mailto:eticagrupomacro@kpmg.com.ar)

Web Page: [www.eticagrupomacro.kpmg.com.ar](http://www.eticagrupomacro.kpmg.com.ar)

Post mail: Bouchard 710, 6to piso, Código Postal 1001, Buenos Aires, Argentina, dirigido a "KPMG-Línea Ética Grupo Macro"

Fax: +54 (11) 4316-5800 dirigido a "Línea Ética Grupo Macro"

### ***F. Other Corporate Governance Practices***



Banco Macro adheres to the best practices in this respect and carried out a process to implement the same based on the guidelines contained in the document "Corporate Governance Guidelines for Financial Entities" issued by the BCRA, and on the CNV's rules.

The following concepts supplement this framework:

#### ***a. Function Separation Policy***

In line with the best practices and the BCRA's rules and regulations, Banco Macro has established as a policy that there must be a distinction between executive and management functions. For the purposes hereof, executive functions shall mean those related to the implementation of policies established by the Board of Directors, such as the functions of the General Manager and the Senior Management. Management functions shall mean those inherent to the Board.

#### ***b. Human Resources Policies***

As a fundamental principle, the Bank understands that the provision of human capital must be properly planned to effectively respond to current and future business requirements, providing knowledge and management skills.

This planning involves:

- Identifying the business needs, what skills will be needed and when they should be available; and
- Implementing actions to have the necessary professional resources each time

This planning process is intended to cover the vacancies with the best person for each position, for the relevant position, giving priority to candidates within the organization. Recruitment practices promote inclusion and diversity. Personnel selection practices promote inclusion and diversity. For this purpose, there is a process to identify key personnel for their outstanding performance and growth capacity in order to accompany them in their professional development within the Bank.

Pursuant to the above expressed, it is essential to support the professional

development of employees, providing opportunities for positions of greater responsibility in the organization. Professional development shall include education and training policies regarding gender and gender based violence prevention. Professional development will include education and training policies on gender and gender violence prevention.

The Bank has selection and internal promotion processes designed to meet these needs, including clear definitions regarding search strategies, job requirements, conducting interviews to select skills and expertise, all with the goal of having as much information as possible to select the best candidate for the position.

Banco Macro's policy is to provide its employees with the necessary training to handle the job successfully. This process involves the implementation of internal and external training activities, in order to bring the training alternatives that best meet the person's needs to perform his job at the Bank.

In addition, it fosters a commitment of leadership levels so that they are the main source of transmission of both knowledge and the culture of our Bank.

Our goal is to ensure that Banco Macro has a group of qualified professionals to fill management positions, who can continue the growth and development in the short, medium and long term, in a framework of orderly succession.

### ***c. Compensation Policy***

The Bank has a compensation policy covering both fixed and variable remuneration, the latter as part of a process of evaluation of goals and competencies. Such policy is consistent with equality when it comes to evaluating the remuneration and gender parity.

The Variable Compensation program is consistent with the Bank's mission and values, its goals, the business sustainability in the long term, the strategy, the control environment and prudent risk taking. They are intended to recognize the employees' outstanding performance according to:

- Their contribution to the results achieved
- How to manage in line with the Bank's mission and values.

The most significant variables in determining compensation are:

- Level of job responsibility and complexity
- Skills and potential of the individual
- Performance and results of the individual
- Position in the relevant market
- Organization's results

The Incentives Committee is responsible for monitoring that the system of economic incentives to the staff is consistent with the culture, objectives, long-term business, strategy and control environment of the entity and prudent risk taking.

#### ***d. Investment and Financial Policy***

The Investment and Financial Policy is a sensitive issue in the day-to-day management of the Bank and one of its strategic pillars.

In view of the significance of the referred policy, the Board of Directors must set out its guidelines. The board of directors decided to set up an Assets and Liabilities Committee for the development and management of such policy. Such Committee is vested with authority to set the Bank's financial strategy, to such end the Committee conducts a market analysis and is involved in the implementation of institutional policies of assets, liabilities and market, liquidity, rate and currency risk management.

#### ***e. Organizational Structure Awareness Policy***

The Board of Directors understands that it is of the essence of the conduct of its business that all the officers and collaborators should be aware of, and understand, the Organizational Structure. Additionally, it is essential that such policy be updated at all times in order to contribute to the maintenance of good labor relationships.

Accordingly, the Board vests the Human Resources Manager with the responsibility of keeping information of the organizational structure, containing a correct description of the duties and responsibilities of each position.

Additionally, the Board of Directors established that the organization structure, the organization's manual and structure of the committees must be published in the

Bank's intranet, so that the entire personnel is aware of such information. Furthermore, the Bank's Internet site provides information regarding the list of Directors, Senior Management and Supervisory Committee; and discloses this Code and the Explanatory Report required by CNV, among other information.

***f. Guidelines applicable to the Use of Complex Structures in Transactions.***

The Directors recommend the Senior Management to strictly comply with the policies related to risk identification and management, matters that must be specifically contained in the Organization Manual.

Accordingly, in line with good practices, the policies establish:

- Guidelines for the use of complex devices (e.g. trusts), that provide for access to sufficient information in relation to business and risks.
- The establishment of restrictions on the execution of transactions through corporate structures or foreign jurisdictions that obstructs transparency.
- For the treatment and approval of the use of complex structures or instruments, as well as for transactions and new products, a documentary process shall be necessary, that will include risk analysis and assessment (credit, financial, operational, legal and reputational risks), and adequate authorization levels shall be established.

In line with these definitions, a recommendation is made to the Internal Audit Committee for it to include within the Annual Audit Plan a specific procedure for the review of the controls on these structures and activities, providing information to the Board of Directors, on an annual basis, on the conclusions thereof or any significant deficiencies that may be detected.

***g. Prevention Policy in the use of Inside Information and Personal Investment Policies***

We feature a policy applicable to the use and handling of confidential information.

This policy establishes guidelines to help the Bank's directors, executive officers and employees meet their obligations under the capital markets rules and other laws of the jurisdictions in which the negotiable securities issued by the Bank are traded.

#### ***h. Code of Bank Practices***

As a badge of quality, Banco Macro adopted the Code of Bank Practices jointly prepared by several bank and financial institutions associations in Argentina.

Such adhesion involves undertaking the commitment of promoting the best banking practices in Argentina for the purpose of consolidating the rights of users of financial services and products.

The Bank provides its clients with several channels through which they may make consultations, and submit claims and/or complaints. Such matters are managed and resolved through a special department that operates under the procedures established in line with the general guidelines set out by the Banking Practices Code.

#### ***i. Investor Protection Code***

The Investor Protection Code establishes the guidelines and recommendations related to the compliance with the investor protection rules in the frame of public offering of Negotiable Securities.

The disclosure and publication of the Investor Protection Code by the market agents is a requirement established by the CNV, acting as market regulatory agency. The Bank has formally undertaken to comply with such Code, through the approval by the Bank's Board of Director of the guidelines contained in such Code, which are published in the corporate website.

#### ***j. Personal Data Protection***

The Bank has a Privacy and Personal Data Protection Policy for the purpose of consolidating the definitions and concepts adopted by Banco Macro in relation to the provisions related to Privacy and Personal Data Protection, issued by the Public Information Access Bureau, both as regards regulatory requirements and those arising from the application of the best practices in the field; all the foregoing in the frame of the interaction between its clients, subsidiaries and suppliers.

#### ***k. Financial Services User Protection Policy***

The Bank has established by Policy, the rights that assist to the Users of Financial Services and the obligations that as a financial institution the Bank must comply with and effectively enforce, as established by the Central Bank of the Republic of Argentina, to protect this group of users.

Establishing these guidelines through a policy reinforces the Bank Board's decision to properly comply with the standards of financial services user protection. In addition, the Bank created a Financial Services User Protection Committee.

## **VI. CORPORATE BODIES**

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### ***A. Shareholders' Meetings***

The Shareholders' Meeting is the maximum decision making body of the company. The shareholders hold meetings regularly to adopt the resolutions which such meeting is entitled to adopt in accordance with the law and the Bank's by-laws.

#### 1. Kinds of shareholders' meetings

Shareholders' meetings may be ordinary or extraordinary depending on the items of business to be transacted thereat in accordance with the Bank's by-laws and enabling applicable rules.

Pursuant to the provisions of section 234 of the Argentine General Business Company Law No. 19550 as amended, an ordinary shareholders' meeting must be held each year to evaluate and discuss the following matters:

- 1) General balance sheet, income statement, profit distribution, annual report and auditor's report and any other decision regarding the company's administration that must be taken pursuant to law and the company's by-laws or that may be brought by the Board, the supervisory committee or the syndics;
- 2) Appointment and removal of directors and syndics members of the supervisory committee and determination of the remuneration thereof;
- 3) Responsibility of directors and syndics and members of the supervisory committee
- 4) Capital increases under section 188.

As to the discussion and evaluation of the matters described under paragraphs 1 and 2 above, the shareholders' meeting shall be called within four (4) months from year end.

The year-end date is December 31 of each year and, pursuant to the rules approved by the CNV, the ordinary shareholders' meeting must be held within four months following the fiscal year-end.

In addition, shareholders' meetings, either ordinary or extraordinary, may be convened either at the request of the board of directors, the supervisory committee, when provided for in the bylaws or whenever any of them deem it advisable or when required by the shareholders holding, at least, five percent (5%) of the capital stock.

## 2. Quorum and majorities

The ordinary shareholders' meetings shall be duly convened on a first call with the attendance of shareholders representing a majority of shares entitled to vote. On a second call, they shall be deemed validly convened whatever is the number of shares present.

Special or extraordinary shareholders' meetings shall meet in first call with the presence of the shareholders representing sixty percent of the voting shares and in second call with the presence of twenty percent of the voting shares.

The resolutions of the ordinary and special meetings, on a first or second call, shall be adopted by an absolute majority of the votes present. In special cases, the majorities required shall be the applicable statutory majorities.

## 3. Minority Shareholders

Banco Macro highlights that the Bank gives particular significance to the active participation of minority shareholders at the Bank's Shareholders' Meetings, and its commitment to ensure that their rights are duly respected. Accordingly, there are no restrictions of any kind to minority shareholders' participation at shareholders' meetings.

Banco Macro meets the requirements established by the Argentine General

Business Company Law No. 19550, as amended, the Capital Markets Law and the CNV's Rules regulating such Capital Markets Law (General Resolution 622/13), for the minority shareholders to suggest or propose matters to be discussed at the General Shareholders' Meeting.

Although nothing is expressly stated in our by-laws regarding the possibility that shareholders participate in the meetings by electronic or virtual means of communication, the Bank does not reject the use of these means.

Before each Shareholders' Meeting and sufficiently in advance, the Secretary of the Board sends the list of topics or issues to be discussed at such meeting, together with any background information for the analysis of each of the topics to be evaluated or discussed by the shareholders.

On the other hand, the Bank adheres to good governance and transparency criteria for its management, and features a website that constitutes the Bank's permanent communication and information channel with its shareholders, investors and all our interested parties, where they can access to any kind of information, as described in section IV above: "Transparency and Public Information".

## ***B. Board of Directors***

The board of directors is vested with the management of the Bank, by determining and setting the entity's vision, mission and values, as well as defining the business global strategy, in an adequate risk management frame that will protect the Bank's liquidity and solvency, and the business's long-term sustainability.

### **1. Duties and Responsibilities**

The Board of Directors and its members adhere to the following practices:

- To conduct, through the Corporate Governance and Designations Committee, an annual survey of the Corporate Governance Code, so that such Code is adequate to the Bank's profile, in terms of its size, complexity and relative significance within the financial system.
- To prevent conflicts of interests, even prospective ones, in relation to its activities and commitments with other organizations. To abstain from adopting decisions whenever conflicts of interests exist which may prevent the Board from acting in an adequate and objective manner.



- Establish guidelines and actions aimed at setting ethic and compliance standards, in connection with practices that may be associated to public officials corruption (including judges of the judicial power or public prosecutors) in the form of payment of money or an offer, promise or delivery of anything of value, in order to influence a decision, delay or do or not to do something or to obtain or keep a business. This definition shall include, accepting to pay an improper consideration to a public official.
- To establish the general strategy of the company, the implementation of which shall be the responsibility of the General Manager and the Senior Management, expressing the actions to reach such goals in a Business or Strategic Plan, which plan shall thereafter be subject to continuous follow-up and evaluation, under the responsibility of the Assets and Liabilities Committee. The Business Plan shall be supplemented by an Annual Investment and Expense Budget.
- To oversee the risk profile of the Bank, in coordination with the Risks Management Committee and the Head of Integral Risk Management, whose responsibility is to implement policies and procedures to manage the risks for the Bank and its subsidiaries.
- To provide an adequate plan for the succession of the senior executives of the Bank.
- To approve policies promoting inclusion and diversity, ensuring the existence of education and training policies addressing gender issues and the prevention and handling of gender based violence.
- To establish communication channels with the Senior Management, to oversee the performance of their duties, and to generate a channel of information for the timely review and monitoring of the corporate purposes.
- To establish standards of performance for the Senior Management and management. Approve, oversee and review the design and operation of the staff compensation scheme; which must be consistent with the corporate culture, long-term goals, strategy and control environment, in line with the internal development plan, as well as consistent with market practices. Such scheme shall be based on the Policy of Incentives, which implementation, follow-up and assessment is vested upon the Incentives Committee.
- To promote the establishment of training and development systems for Senior Management and its officers, in line with the Bank's profile and complexity, to include aspects related to gender and the prevention and handling of gender based violence.
- To exercise due diligence in the steps involving the hiring and follow-up of

external auditors duties, with the prior opinion of the Audit Committee.

- To become aware of the results arising from the controls conducted by internal auditors.

For such purpose, the Audit Committee Minutes shall be placed at the Board of Directors disposal upon adjournment of each meeting held by such Committee. The Audit Committee may also hold meetings with the Board of Directors' en banc, to transact items of business of sufficient importance or those that the Board of Directors may establish.

- To foster the Bank's good operation, to understand its regulatory framework and to ensure an effective relationship with the supervisors.

To such end, there is an area in charge of overseeing compliance with the regulatory framework and advising the Management and Senior Management on compliance with laws, rules and standards. Each and every officer shall be liable for compliance in the performance of his/her duties. The compliance area coordinates the relationship with the bank supervisors, external auditors, risk assessment agencies and supervisory committee. The compliance area shall inform the Ethics and Compliance Committee about any significant deviation it may become aware of, coordinating the execution of any necessary plan of action to deal with, and cure, such deviation or non-compliance.

## 2. Conflicts of Interests

The Code of Ethics for Directors and Senior Management members establishes the procedure to be followed in those cases where a conflict of interest is suspected or may exist.

The Code of Ethics establishes the following:

- Act honestly and in an ethical manner and promote ethical behavior among colleagues and subordinates, including the ethical handling of any conflicts of interest between their personal and professional relationships, regardless of whether the conflicts of interest are actual or apparent conflicts;
- Avoid any kind of conflict of interest known by them or which might be reasonably deemed known thereby and report to the Audit Committee of the Bank's Board of Directors (the "Audit Committee") any significant transaction or personal relationship which might

reasonably originate such conflict of interest.

### 3. Composition of the Board of Directors – Designations Policy

The Ordinary Shareholders' Meeting is in charge of designating the members of the Board of Directors. The By-laws provides that the Board shall be composed of the number of regular members to be decided by the shareholders' meeting, within a minimum of 3 and a maximum of 13, with an equal or lower number of alternate members. The by-laws do not provide for the election of directors by class of shares.

The By-laws Banco Macro provide that the Directors shall hold office for three fiscal years, and if the shareholders' meeting designates nine or more directors, then the Board shall be renewed by thirds. In no event shall the Board renew a number below three directors each time.

Directors and their alternates may be indefinitely re-elected.

All Directors shall have non-executive functions, i.e., administrative functions, pursuant to the guidelines of the revised text "Authorities of Financial Entities, Section 4 –Separation of Executive and Administrative Functions" issued by the Central Bank of the Republic of Argentina.

By ethical and professional definition, directors must be morally suitable and have experience in and knowledge of the banking business.

The Bank's directors cannot be within the inabilities and incompatibilities established by section 10 of the Law of Financial Institutions No. 21526, and regard shall be given to whether the person has been convicted for money-laundering and/or terrorism financing activities or crimes and has been sanctioned by the Financial Reporting Unit or has been disqualified, suspended, prohibited or revoked by the Central Bank of the Republic of Argentina (BCRA), the Argentine Securities Exchange Commission (CNV) and/or the National Superintendency of Insurance (SSN for its acronym in Spanish). Besides, the directors shall not hold managing positions and may not hold any direct or indirect, through related persons, interest in companies that carry out gaming and gambling activities.

Each year, financial entities must certify that the individual maintains the required legal capacity, suitability, competence, experience in the banking business and availability. These conditions shall be maintained during the entire term of office.

Before holding the General and Ordinary Shareholders' Meeting, shareholders are reminded of these guidelines for them to bear them in mind when nominating the candidates to fill the vacancies in the Board of the Bank. Finally, the members of the Board shall be elected by the shareholders based on the nominees proposed.

The BCRA's rules deem to be a good practice for entities to consider gender parity in the composition of the Board, in order to boost discussions and enrich decision-making; and to evaluate the progressive incorporation of women, when it comes to new designations and/or renewals, until reaching gender parity.

The role of a Director is subject, in certain cases, to the authorization of the BCRA, which establishes the evaluation criteria to be followed in order to provide authorization to the directors appointed by the shareholders' meeting.

In addition each year the Board shall certify, pursuant to the provisions of the BCRA, that the Senior Management has no inabilities to act as such.

Previous evaluation by the BCRA of the background information or record shall not be necessary when:

- The designated director has already acted as such in a financial entity and was subject to previous evaluation by the BCRA.
- The time elapsed from termination of such office and the new proposal or designation does not exceed 3 years.
- The office to hold is in a financial entity of the same or inferior class – pursuant to the provisions of section 2 of the Financial Entities Law- and of the same or inferior Group, pursuant to the provisions of Section 4 – Revised Text “Background Information of Authorities of Financial Entities” issued by the Central Bank of the Republic of Argentina.

Pursuant to the rules of the BCRA, the boards of financial entities must be composed by, at least 2/3 of persons suitable and with experience related with the public or private financial activity, either in the country or abroad.

The internal supervisory body of the financial entity shall verify that, at the meetings of the Board or of the Management, the number of directors or managers present with experience meets the provisions above. If the above mentioned

requirement is not met, then the supervisory body shall inform such situation to the SEFyC within 10 calendar days from such non-compliance.

The board considers it appropriate not to limit the number of companies in which the directors and/or syndics of the Bank may act as such, nevertheless directors and/or syndics must commit and be available for the performance of their duties. The board bases this on the diversity of knowledge and experience that such performance grants to the directors and/or syndics. Except for any contingencies, Directors must register 100% attendance to meetings of the Board.

#### 4. Independent Directors

The Board of directors must have a membership that allows for the exercise of independent judgment in the adoption of decisions. Independence and objectiveness can be reinforced by the inclusion of independent and qualified directors.

Banco Macro has independent directors in compliance with the applicable rules issued both by the Central Bank of the Republic of Argentina and the *Comisión Nacional de Valores* and the Securities Exchange Commission, because it is a financial entity and a company that issues shares under the public offering system that list in local stock exchanges as well as in the New York Stock Exchange.

At the same time, all the members of the Audit Committee of Banco Macro are members of the Board who shall be independent since the Bank is subject to Rule 10A-3 of the Securities Exchange Act of 1934 (Section 303A.06).

The Bank policy is to ask the shareholders present at the meeting called to designate the members of the board, to express enough motivation as to the independence of the person/s nominated to be appointed members of the board, in the form of a sworn affidavit.

The Bank does not feature a policy aimed at keeping a specific proportion of independent Directors on the total number of Directors, and does not feature as well specific policies for independent directors to carry on exclusive meetings.

Notwithstanding the above, at Banco Macro independent directors have a favorable environment to consider holding such exclusive meetings and such independent

directors shall coordinate the proceedings at such meetings as well as the preparation of the agenda and the relevant documents.

#### 5. Chairman of the Board

In the event no chairman is designated by the Shareholders' Meeting, the Board shall elect a Chairman among its members. The Chairman of the Board is the legal representative of Banco Macro. The Chairman shall preside all Directors' Meetings and Shareholders' Meetings.

The Chairman of the Board shall have the following main functions:

- exercise the Bank's institutional representation,
- preserve and spread the values established by the shareholders,
- drive the strategic development actions and communicate the entity's strategic guidelines,
- ensure the effective operation of the Board with the support of the Board's Secretary and secure the respect for the Board's procedures and governance rules, the organization of Board meetings and meetings of shareholders, and
- organize the evaluation process of all Board members.

In addition to the powers provided for under the Bank's By-laws and those contemplated in this Corporate Governance Code, the Chairman, by delegation of the Board, shall have all other powers inherent to such position to exercise the effective direction of the Bank.

#### 6. Vice Chairman of the Board

In the event no Vice Chairman is designated by the Shareholders' Meeting, the Board shall elect a Vice Chairman among its members who shall replace the Chairman in case of resignation, absence, impediment or abstention on the part of the Chairman, either temporary or final.

#### 7. Secretary of the Board

The Board shall designate a Secretary of the Board, who shall attend to General or Special Shareholders' Meetings and to Board Meetings with powers to participate but with no voting powers.

The Secretary shall assist the Chairman of the Board in all the Chairman's functions and shall look after the proper operation of all Board Meetings and Shareholders' Meeting, and in particular the Secretary shall:

- Distribute to the Directors the agenda of the meetings to be held and all relevant information regarding such Meeting of Directors and all documents to be considered at such Meeting, sufficiently in advance to allow the necessary analysis thereof.
- Distribute to the shareholders the agenda of the meetings to be held and all relevant information regarding such meeting of shareholders and all documents to be considered at such meeting, sufficiently in advance to allow the necessary analysis thereof, fixing a minimum term of notice.
- Provide the members of the Board and the Shareholders all the necessary information, within the scope of their functions, duties and interests.
- Supervise the proper registration of all corporate documents.
- Record in the relevant books of minutes all the meetings held by the management body.
- Assists the members of the Board, paying special attention to the new members, in the interrelation with peers, as well as with Senior Management members.

The Secretary shall at all times look after the formal and material legality of all procedures and acts of the Board.

#### 8. Proceedings of the Board of Directors

The board of directors shall meet at least once a month, notwithstanding any other meetings that may be held upon request of any Director, and called by the Chairman of the Board or the person replacing the Chairman, to meet on the fifth business day from such request.

The notice of meeting containing the agenda with the matters to be discussed shall be sent to the Directors and Members of the Supervisory Committee at least two business days in advance of the date fixed for the meeting. The above described requirements regarding notice of meetings shall not apply only in case of proven urgency rendering compliance with such requirements impossible.

The Bank's By-laws provide that the Board shall validly meet with the presence of the absolute majority of its members, attending either in person or by means of any means of simultaneous sound, image and word transmission, such as videoconferences or similar means of communication, computing for quorum purposes both the members present in person and those attending the meeting remotely.

Absent Directors may authorize another Director to vote on his/her behalf by granting a proxy through a public or private instrument duly signed before a notarial, judicial or banking authority.

The Board shall adopt its resolutions with the majority vote of the members present or communicated. In case of a tie vote, the Chairman or the person replacing the Chairman shall have double vote.

#### 9. Board of Directors' Performance Evaluation

The Board has established the Board Self-Assessment Policy, being the Corporate Governance Committee responsible for implementing and revising the same, to be carried out individually (with a Self-Assessment Survey).

The assessment shall be of a qualitative nature and is oriented to the operation of the board as a deliberative body, the frequency of its meetings, the time devoted thereto, the availability of sufficient and timely information, the Senior Management evaluation, and finally matters of individual nature.

The self-assessment process will be made during the first quarter of each year and the Corporate Governance Committee shall evaluate the results obtained. The Directors members of such Committee shall be the ones in charge of transmitting the results in the heart of the deliberative body.

The Shareholders' Meeting makes an annual evaluation of the Board of Director's proceedings and performance at the time of holding the general and ordinary shareholders' meeting to discuss the matters listed under paragraphs 1 and 2 of Section 234 of the Argentine General Business Company Law No. 19550.

The Board of Directors discloses the results of its performance through the Integrated Annual Sustainability Report. The Annual Report and Financial



Statements for the fiscal year are included in such Integrated Report, according to Section 66 the Argentine General Business Company Law and the Capital Markets Law and the CNV's Rules (T.N. 2013 as amended).

Also, the Corporate Governance Explanatory Report and the Corporate Governance Policy supplement the disclosure as to the management framework.

#### 10. Directors' Compensation

The Directors' compensation is established by the Shareholders' Meeting. The Shareholders' Meeting establishes a fixed amount as annual compensation payable to the directors on the basis of reasonableness criteria, in light of the results obtained during their performance while in office, taking into account the provisions of Argentine General Business Company Law No. 19550, as amended and supplemented. The Shareholders' Meeting may delegate to the Board the individual allocation of the approved fees. Each year, the Board submits for consideration by the Shareholders' Meeting a proposal for the Board's remuneration as a deliberative body.

Pursuant to the provisions of section 261 of the Argentine General Business Company Law ("GBCL") and the rules of the *Comisión Nacional de Valores* ("CNV"), the maximum amount the members of the Board are allowed to receive as remuneration for all purposes shall not exceed twenty-five percent (25%) of the profits. Such maximum amount shall be limited to five percent (5%) when no dividends are distributed to the shareholders, and shall be increased in proportion to the distribution, up to reaching the twenty-five percent (25%) limit when the aggregate amount of profits is to be distributed.

Any time the performance of special duties or technical and administrative functions by one or more directors demands the need to exceed the above mentioned limits, such remunerations in excess may only be paid if expressly agreed upon by the shareholders' meeting.

#### 11. Related Party Transactions

The Bank has adopted procedures to comply with the provisions of Section 72 of the Capital Markets Law and the CNV's Rules (N.T. 2013 as amended) regarding the Audit Committee's treatment of the transactions with related parties for relevant amounts.

This procedure implies requiring the Audit Committee to express an opinion on the transactions contemplating the conditions established in the regulations for acts or agreements for relevant amounts.

In addition, the Bank, as a licensed financial institution, also complies with the disclosure provisions and duties established by the Argentine Financial Entities Law and carries out related party transactions under the same conditions as with the rest of the clients, observing the compliance of credit policies established and disclosure restrictions ruled by the BCRA.

In accordance with the provisions of applicable laws (Argentine General Business Company Law No. 19550, as amended), specific applicable regulations (CNV's Rules), professional accounting standards (Technical Resolution No. 21 of the Federation of Professional Councils of Economic Sciences ("FACPCE")) and the best practices, the Bank discloses related transactions with affiliates and related parties (subsidiaries), in notes to its financial statements.

#### 12. Board Membership Non-Discrimination Policy

Banco Macro takes as its essential premise to adhere to the non-discrimination commitment, not only in matters involving the election of directors but also as regards any circumstance either internal or external. Such conduct guidelines are laid down in the Code of Ethics and in the Code of Conduct.

Banco Macro, among other companies, executed with INADI (the Argentine National Institute against Discrimination, Xenophobia and Racism controlled by the Argentine Ministry of Justice, Security and Human Rights) the Agreement of Companies' Network for Diversity. The purpose of such Agreement is to collaborate from the corporate field in the fight for the eradication of discrimination, by promoting conditions that will foster inclusion, good corporate citizenship and a corporate sustainability culture.

#### 13. Directors' Training and Development

The Bank has an ongoing training program for members of the board of directors and senior management. The Board's Self-Assessment survey serves as the basis to identify accurate needs of the Directors. The Training Program shall take into

account both legal and regulatory issues, as well as aspects related to corporate sustainability practices, product and service development, innovation, financial education and other matters of the business.

Also, these officers, as part of their responsibilities, have the ability of managing their training in various topics related to the business, and the Bank provides the resources necessary for its implementation.

The Board's Secretary is in charge of coordinating for the preparation and approval of the Board's Training Program.

### ***C. Supervisory Committee***

Pursuant to the corporate by-laws, the Bank has a supervision body called Supervisory Committee. It is composed of 3 regular members and 3 alternate members, which qualify as independent, in accordance with Technical Resolution No. 15 of the FACPCE and pursuant to the provisions of the CNV.

They are elected by the General and Ordinary Shareholders' Meeting. The members of the Supervisory Committee are subject to the same authorization conditions as those required to act as Director, pursuant to the rules of the Central Bank of the Republic of Argentina (Revised Text "Background Information of Authorities of Financial Entities").

The Central Bank of the Republic of Argentina deems it is a good practice to consider the gender parity criterion when it comes to the composition of the Supervisory Committee.

### ***D. Rotation of members of Supervisory Committee (Sindicos) and/or External Auditors***

The shareholders are entitled to propose and select the members of the Supervisory Committee, so the Board of Directors cannot establish guidelines for their appointment.

As to the independent auditor, the BCRA provides under the CONAU guidelines – Accounting and Audit, chapter F –Minimum Standards on Independent Audits of the BCRA, the rotation of the signatory partner every five fiscal years. Upon termination of the independent auditor's appointment, either due to expiration of the maximum term or a shorter period, such auditor shall wait for at least a period equal to the

last period served as independent auditor in order to be able to be designated again.

On the other hand, the provisions of the CNV – Article VI – External Auditors, are in line with the provisions of Exhibit “Rules on Independence”, under Technical Resolution No. 34 of the FACPCE (*Federación Argentina de Concejos Profesionales de Ciencias Económicas*), applicable to public interest entities.

## **VII. COMMITTEES**

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The Board may decide the creation and composition of any committees, establish their organization model, its functions and its performance limits and pronounce their internal rules and regulations within the powers granted to it by the by-laws and the law. Each committee shall have its own internal rules and regulations and shall report to the Board on a regular basis.

Pursuant to the separation that must exist between the executive and management functions, the directors direct their actions through the Committees.

The Board as a whole and the Directors individually, through their participation in different committees of the Bank, continually evaluate the performance of Senior Management members. Additionally, this revision is carried out through the follow-up of the Business Plans and Budgets, and the adjustment thereof to the strategy defined by the Board.

Herein below follows a description of the duties and responsibilities of the committees. The detailed list of the members thereof is published in our website under the Investors Relations section. (<https://www.macro.com.ar/relaciones-inversores/home>).

### **1. Audit Committee**

The Bank lists its shares on the NYSE, thus, it is subject to Rule 10A-3 of the Securities Exchange Act of 1934 (Section 303A.06), that provides that the Audit Committee shall be composed of at least three members and all Audit Committee members must qualify as independent Directors.

The Bank’s Audit Committee is composed of three regular directors and one

alternate director, all of whom must qualify as independent directors.

On the other part, the requirements under the Capital Markets Law and the CNV's Rules (N.T. 2013 as amended), provide that the majority of the members of the Audit Committee must comply with the independency requirement. The majority of its members must feature financial and accounting training due to the complexity of the matters they shall have to deal with.

In order to qualify as independent a director must be independent both as regards the Bank and as regards any controlling shareholder thereof and may not perform executive functions in the company.

According to the provisions of the Capital Markets Law and the CNV's Rules (N.T. 2013 as amended), the Audit Committee has the following powers and duties:

- To issue an opinion about the board of directors' proposal for the appointment of the external auditors to be retained by the company, and ensure that auditors are objective and independent.
- To monitor the operation of the internal control systems and the management-accounting system, as well as the reliability thereof and to oversee that the financial information or any other significant facts are submitted to the CNV and to the markets in compliance with the applicable reporting regime.
- To supervise the enforcement of the company's risk management information policies.
- To provide the market with full disclosure regarding transactions that give rise to conflict of interests with members of corporate bodies or controlling shareholders.
- To issue its opinion on the reasonableness of any compensation proposals and stock option plans of directors and managers of the company made by the management body.
- To issue an opinion on the compliance with applicable legal requirements and on the reasonableness of the terms of any issuance of stock or

securities convertible into stock, in the event of a capital increase involving any restriction or exclusion of preemptive rights.

- To assess compliance with relevant rules of conduct.
- To issue its supported opinion as regards related party transactions in the cases established by the above mentioned Law. To issue its supported opinion and to submit it to the markets as determined by the CNV on each instance that involves or may involve a prospective conflict of interests.

In addition, Section 18 in Article V, Chapter III, Title II of the CNV's Rules (N.T. 2013 as amended), provides that the Committee shall revise the planning of internal and independent auditors and evaluate the acts and procedures of such auditors, and shall issue an opinion in that respect at the time of submitting and publishing the annual financial statements. For such purpose, as part of the evaluation of the independent audit duty, the Committee shall also:

- Analyze the different services rendered by the independent auditors and the relation thereof with the independence of the external auditors, pursuant to the regulations established in the Professional Technical Resolutions issued by the *Federación Argentina de Consejos Profesionales de Ciencias Económicas* and under any other applicable rules and regulations issued by the authorities in charge of supervising the professional registration of auditors and accountants.
- Inform invoiced professional fees, including a breakdown of the following:
  - 1) Fees for the external or independent audit and other related services aimed at giving reliability to third parties (for example, special analysis on the verification and evaluation of internal controls, taxes, participation in prospectus, special certifications and reports requested by control entities, etc.).
  - 2) Professional fees for special services other than those described in paragraph 1) above (for example, those services related to the design and implementation of information systems, legal or financial aspects, etc.).

Such evaluation must be made by the Audit Committee, and shall include the verification of the policies they have regarding independence in their respective

structures in order to ensure compliance therewith.

Each year, the Audit Committee will prepare the action plan for the fiscal year and shall account for it to the Board of Directors and the supervisory body.

The Audit Committee makes an annual review of the Internal Audit performance and the extent of independence of the function. In addition, each year it evaluates the External Auditors' qualification, experience and performance.

The members of the management and statutory audit body, managers and external auditors are under the obligation of attending, at the Audit Committee's request, the Audit Committee's sessions and of rendering their collaboration and providing access to any information that may be at their disposal.

For the best performance of its duties, the Audit Committee may resort to legal and other independent consultants' advice and may retain their services for the company's account within the budget approved to such effect by the shareholders' meeting or by the board of directors at the delegation of the former. The Audit Committee shall have access to any information and documentation it may deem necessary for the performance of its duties.

Finally, the Committee is responsible for following up the Transparency Line.

## **2. Incentives Committee**

The Employee Incentives Committee is in charge of establishing a Remuneration Policy, monitoring the compliance therewith and keeping such policy in force and updated. This policy shall include the fixed and variable remuneration of Senior Management and the rest of the Bank's employees.

The policy must be consistent with the culture, goals, long-term business, strategy and control environment of the entity, watching such incentives do not cause adverse effects on the Bank's liquidity and solvency, considering an adequate risk management framework.

The Head of Human Resources shall be responsible for the implementation of this Policy and the relevant procedures to render it applicable.

Its functions include:

- (i) supervising that the remuneration of the members of Board and first line managers is consistent with the medium and long-term efficiency;
- (ii) reviewing the competitive position of the company's remuneration policies and practices , i.e. comparing the company's practices with those of other market participants, and recommend changes or not;
- (iii) informing the guidelines to determine the retirement programs of Board members and first line managers of the company; and
- (iv) regularly giving the Board and the Shareholders' Meeting an account on the actions undertaken and the matters analyzed at the Committee's meetings.

The Committee shall be composed in a manner so that independent Directors hold the majority and preside the Committee. The Board of Directors has designated as members the Head of Integral Risk Management and the Head of Human Resources.

As a good practice, the Board shall ensure the appointment as members of the Committee, those independent members having risk management experience and knowledge regarding remuneration systems.

The Committee shall meet at least twice a year, or whenever it may be necessary for the performance of its duties, recording the proceedings of such meetings in minutes that shall be made available to the Board in the next meeting to be held by the Board.

### **3. Designations and Corporate Governance Committee**

The Designations and Corporate Governance Committee shall be responsible for implementing and applying the Corporate Governance Code.

The Committee shall be composed in a manner so that independent Directors hold the majority and preside the Committee. An independent Director shall preside the Committee. The Board of Directors has designated as members of this Committee the Head of Integral Risk Management, the Head of Human Resources and the Head of Legal Affairs.



The Committee shall meet at least twice a year, or whenever it may be necessary for the considering matters of its competency.

Each year the Designations and Corporate Governance Committee shall evaluate the effects of an unforeseen unavailability of the General Manager, as well as, the existence of retirement or succession programs of officers or key resources. This Committee shall be in charge of evaluating, together with the Head of Human Resources, the Senior Management members as potential candidates to replace the General Manager in case of extended or sudden unavailability, and suggesting the Board the candidates to be taken into account in the event such unavailability occurs. A non-unforeseen substitution plan for the General Manager shall call for other type of analysis, such as the assessment of the General Manager's performance and definitions that based on the occasion and convenience, may involve the analysis of options existing outside the entity, and the Committee deems are to be explored.

The Committee shall meet at least twice a year, or whenever it may be necessary for the considering matters of its competency.

The Committee shall consider the proposal and/or designation of executives to hold Senior Management positions.

#### **4. Ethics and Compliance Committee**

This Committee has the role of ensuring that the Bank has the adequate means to promote making appropriate decisions and to comply with internal and external regulations.

The Committee shall be composed in a manner so that independent Directors hold the majority and preside the Committee. In addition, the Legal Affairs Manager, the Head of Integral Risk Management and the Human Resources Manager participate in this Committee.

The Committee shall hold at least quarterly meetings or whenever it may become necessary for the consideration of matters of its competency.

The Ethics and Compliance Committee shall be informed about any significant breach of internal and/or external regulations, coordinating the execution of any

necessary plan of action to deal with, and cure, such breach. In this respect, the Committee is responsible for the Ethics Line and the handling of all incoming reports.

In addition, the Committee shall consider all matters related to the Bank's Sustainability Policy, promoting the adoption of these policies and the spreading of principles and tools that will allow the management (planning, incorporating and assessing) of sustainability concepts and practices in the organization.

## **5. Risk Management Committee**

The Risk Management Committee is in charge of following-up the activities of the Senior Management as regards the management of credit, market, liquidity and operations risks and compliance and reputation, inter alia, and to advise the Board of Directors on the risks of the entity. It meets on a monthly basis, leaving evidence of such meetings in records.

The Head of Integral Risk Management is responsible for the implementation of the Policies and Procedures for Risk Management and coordination with those responsible for each of them.

The Head of Integral Risk Management shall ensure the existence of appropriate supervision and control procedures. It will keep these updated and it shall propose to the Board of Directors such modifications as may be necessary, as well as report on the needs for changes in the Risk Management policies.

The Head of Integral Risk Management shall also inform the Committee and senior management about the deviations that occur to the exposure limits established for each of these risks, requiring the implementation of the relevant corrective measures or actions. It may include risk assumption, mitigation, or implementation of a corrective action plan.

## **6. Assets and Liabilities Committee**

The main duty of the Assets and Liabilities Committee is to set the Bank's financial strategy, conducting a market analysis and establishing the assets, liabilities, market risk, liquidity, rate and currency risk management policies.

The Committee shall be composed of three directors, and the other participating

members shall be appointed by the Board of Directors.

The board of directors requests the Assets and Liabilities Committee to implement, follow up and tailor the Investment and Financial Policy. The Investment and Financial Policy is reflected in the Business Plan and the Expense and Investments Budget, which the Assets and Liabilities Committee requests to prepare and approves annually.

The board of directors becomes aware of the matters discussed by such committee and of the analyses made by the Assets and Liabilities Committee on the evaluation of possible deviations.

Additionally, in light of the procedures established in relation to the Financial Risk Control, the Committee shall take notice of the reports made in the area and of the warnings generated on any deviation occurred, and shall decide upon the corrective actions that may be deemed relevant.

## **7. Internal Audit Committee**

In compliance with the rules issued by BCRA (CONAU – Internal Control Minimum Rules (*Normas Mínimas sobre Controles Internos*)), financial institutions must set up an Audit Committee composed by at least two members of the Board of Directors and the chief Internal Audit officer of the entity. At present the Internal Audit Committee has 4 members.

The referred officers shall hold such membership for a minimum two (2) year period (provided that their office does not expire earlier) and a maximum of three (3) years.

The chief Internal Audit officer shall be appointed by the Board of Directors and its designation and/or replacement shall be notified to the Auditors Control Management of the Financial Institutions Superintendency (*Gerencia de Control de Auditores de la Superintendencia de Entidades Financieras y Cambiarias*). Any change in the membership of the Committee must be notified within the following 10 days.

The Minutes of the Internal Audit Committee must be submitted to the Board of Directors.

The Internal Audit Committee has the following duties:

- to oversee the proper operation of the internal control systems defined within the entity through the regular assessment thereof;
- to contribute to the enhancement of the effectiveness of the internal controls;
- to take notice of the external audit planning and to make at that time any comments as to the nature, scope and timing of the audit proceedings to be carried out;
- to review and approve the annual work program of the entity's internal audit department ("Internal Audit Planning Memorandum" or "Annual Planning"), to be conducted in accordance with these rules, as well as the degree of its compliance;
- to review the reports issued by the internal audit in accordance with these rules;
- to analyze the comments made by the external and internal auditors on the weaknesses of internal controls found in the course of any such audit work, as well as the steps taken by the general management intended to normalize or minimize such weaknesses;
- to take notice of the results obtained by the entity's statutory auditor (*sindicatura*), supervisory committee (*comisión fiscalizadora*) or surveillance board (*consejo de vigilancia*) in the conduct of their duties, as may arise from any of their respective reports;
- to keep permanent communication with the financial institutions superintendency (*Superintendencia de Entidades Financieras y Cambiarias*) officials in charge of the Bank's control, in order to become aware of their queries, any problems detected in the audits conducted on the Bank, as well as the monitoring of the steps taken for the resolution thereof;
- to take notice of the annual and quarterly financial statements and the

external auditor's reports issued thereon, as well as any relevant accounting information;

- to analyze the services rendered by the external auditors and its relation with their independence, in accordance with the provisions of FACPCE Technical Resolution No. 7 and any other regulation that may be issued by professional control authorities ("A" 4044);
- to review any transactions that give rise to conflict of interests with the members of corporate bodies or controlling shareholders; and
- to analyze the fees invoiced by external auditors, breaking down the fees of external auditors and other related services addressed at granting reliability to third parties from those related to special services different from the foregoing.

## **8. Systems Committee**

The Systems Committee is mandatory. Pursuant to BCRA rules (RUNOR – Operating Requirements of the Information Technology Area (*Requisitos Operativos Mínimos del Área de Sistemas de Información*)) such Committee must be composed at least by one member of the board of directors or similar body and the chief officer of Operations and IT, Management and Strategic Planning Control and the General Manager. At present this Committee is composed by 3 (three) Directors, and another one acting as alternate member.

The Systems Committee must hold quarterly meetings and the minutes thereof must be reported to the Board of Directors.

The designation of the Systems Officer and the Security Officer shall be disclosed to the External Audit Management of the Financial Institutions Superintendency (*Gerencia de Auditoria Externa de Sistemas de la Superintendencia de Entidades Financieras y Cambiarias*) pursuant to the provisions of the Revised Text "Minimum Requirements of management, implementation and control of IT and information system-related risks", as amended and supplemented.

The Systems Committee has the following duties:

- to oversee the adequate operation of the IT system;
- to contribute to the enhancement of the effective operation thereof;
- to take notice of the IT plan and to report its comments, if any, regarding the nature, scope and timing thereof, at the meeting;
- to assess the referred IT plan from time to time and to review its degree of compliance;
- to review the reports issued by IT audits and to oversee the general management's execution of any steps taken to deal with any such issues intended to normalize or minimize any weaknesses found; and
- to maintain due communication with officials of the financial institutions superintendency (*Superintendencia de Entidades Financieras Y Cambiarias*) in relation to problems detected in the audits conducted on the Bank, as well as the monitoring of the steps taken for the resolution thereof.

## **9. Credit Committee**

There are different types of Credit Committees within the Bank and they are segmented based on customers' markets and the authority they have to rate customers based on the assistance amount (approval of credit limits). The operation of such Credit Committees is closely related to the credit risk management and relevant Policy.

## **10.Recovery Committees**

Recovery Committees are composed of members of the legal and credit area and are in charge of applying predefined policies for the granting of debt reductions and refinancing. Such committees are in charge of defining payment scheme arrangements exceeding predetermined parameters and of adopting decisions as to the forwarding of debt portfolio to collection litigation proceedings or to delete them from the accounts.

## **11. Anti-Money Laundering Committee**

The Anti-money Laundering Committee is in charge of planning and coordinating the compliance with money laundering prevention policies established by the board of directors.

The Committee is composed of three (3) directors; one of them acts as responsible officer designated as Compliance Officer under the terms of the rules issued by the Financial Information Unit (FIU) and the BCRA.

The Committee is also composed by the Head of Integral Risk Management, the Head of Legal Affairs and the Head of Anti-Money Laundering Department. The Committee holds monthly meetings, proceedings are recorded in minutes that must be reported to the Board of Directors meeting held immediately following the Committee's one.

The composition of the Anti-money Laundering Committee and the designation of the Regular and Alternate Compliance Officer must be approved by the Board of Directors.

## **12. Financial Services User Protection Committee**

Pursuant to the provisions of the BCRA (Revised Text "Financial Services User Protection") the Bank created a Financial Services User Protection Committee composed by one Director, who shall act as president thereof, and the Head of Customer Service and the Heads of Compliance, Legal Affairs and Operational Risk Departments.

Besides any officer of the Bank may be called to participate as invited member if necessary to carry out the duties of the Committee.

The Financial Services User Protection Committee shall meet at least every three months, and may hold meetings more frequently if so decided by its members recording everything discussed at such meetings in minutes. This Committee shall be in charge of supervising the implementation and compliance with the good practices regarding Financial Services User Protection. It shall become aware before submission to the Board for consideration of the quarterly report on: (i) the queries and claims received; (ii) the actions required as a result of reports filed before the

competent judicial and/or administrative consumer protection authorities and (iii) the reimbursement of amounts performed. It shall evaluate the quarterly reports issued by the Head of Customer Service, approving the corrective actions proposed by such officer and follow up the implementation thereof. It shall take due notice of the information requirements established by the BCRA falling within its competence.

## **VIII. CORPORATE CAPITAL**

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### ***A. Principle of Share and Vote Equity***

Pursuant to Section 216 of the Argentine General Business Company Law No. 19550, as amended, no preferred share may be issued after the company has been authorized to make a public offering of its shares.

Accordingly, at present Banco Macro cannot issue plural voting shares and only 11,235,670 Class "A" shares of the Bank entitling to 5 votes per share remain.

### ***B. IPO***

Banco Macro adhered to the compulsory public acquisition offering regime provided for under the Capital Markets Law and its Rules and Regulations now provided for under Section 90 of the Capital Markets Law

### ***C. Stock Economic Rights. Dividend Distribution Guidelines***

#### **Decision to Distribute Dividends**

The decision to distribute dividends is the exclusive responsibility of the Shareholders' Meeting, based on the recommendation of the Board of Directors. The Bank is not obliged to distribute profits, being the determination of the maximum amount and time and form of payment of the dividends to be distributed subject to the exclusive criterion of the Shareholders' Meeting, who may delegate the power mentioned in the last place to the Board.



In addition, the Shareholders' Meeting may create special reserves for future distribution of dividends, provided such reserves are reasonable and the result of a prudent administration, and which may be subsequently cancelled if the Shareholders' Meeting considers appropriate to distribute such funds.

Section 32 of the Bank's bylaws establishes the manner in which the Shareholders' Meeting must apply the net and realized earnings resulting from the financial statements approved by such Shareholders' Meeting.

### **Legal and Regulatory Framework**

Pursuant to the provisions of section 70 of the General Companies Law ("GCL"), the companies shall allocate to a statutory reserve fund at least 5% (five percent) of the net and realized earnings reported in the income statement for the fiscal year, and up to reaching 20% (twenty percent) of the corporate capital. Pursuant to the provisions of section 33 of the Financial Entities Law No. 21526, each year the Bank must allocate to the statutory reserve fund the proportion of its annual earnings as the Central Bank of the Republic of Argentina (or "BCRA" for its acronym in Spanish language) shall determine, which shall neither be below 10% nor above 20%. Under the provisions of Communiqué "A" 4526 issued by the BCRA, the Bank maintains a statutory reserve fund composed of 20% of the annual earnings. Failure by a financial entity to comply with this requirement shall prevent such financial entity from paying dividends to its shareholders.

Under section 224 of the GCL, the distribution of dividends to the shareholders shall only be legal if made out of the net and realized earnings of a balance sheet regularly prepared and approved. Section 70 of the same law further establishes that in the event of a reduction of the statutory reserve fund for any reason whatsoever, the company shall not be able to distribute profits until such reserve is recovered. Pursuant to the provisions set forth in section 71 of the GCL, there shall be no profit distributions except all losses of previous fiscal years are covered.

Additionally, at the time of determining the profits to be distributed the company must take into account the eventual limitations assumed under any contractual obligations.

### **BCRA Rules**

The distribution of dividends to the shareholders is governed by the Central Bank of the Republic of Argentina (Revised Text Accounting and Audit – B. Accounts Guide – 9. Profit Distribution). The distribution of dividends to be made shall not jeopardize the entity's liquidity and solvency.

Financial entities must maintain a capital conservation margin additional to the minimum capital requirement. Profit distribution shall be limited when the level and composition of the integrated capital of the financial entities places them within the capital conservation margin. Financial entities labeled by the Central Bank of the Republic of Argentina as domestic systemically important banks (D-SIBs) or as global systemically important banks (G-SIBs) must have a capital level allowing them a greater capacity to absorb or mitigate losses.

The capital conservation margin shall be 2.5% of the amount of risk-weighted assets (RWA) –defined as provided for in item 8.5.1 of the rules on “Minimum Capital of Financial Entities”-, additional to the minimum capital requirement established under Section 1 of such rules.

For those financial entities labeled as systemically important, the capital conservation margin mentioned in the preceding paragraph shall be increased by 1% of RWA, and therefore such entities shall be subject to a capital conservation margin equal to 3.5% of RWA.

The Bank's dividend policy is based on maintaining an adequate balance between the distributed amounts and the investment and expansion policies. It is worthwhile to mention that this dividend policy might be conditioned in the future by the existence of market regulations and/or by the strategic plans the Bank may adopt each time.

## **Shareholders entitled to receive dividends**

Dividends shall be paid in proportion to the relevant shareholdings recorded in the Bank's Stock Ledger kept by *Caja de Valores S.A.*, domiciled at 25 de Mayo 362, Autonomous City of Buenos Aires.

## **Procedure for Payment of Dividends**

Pursuant to the rules of the *Comisión Nacional de Valores* ("CNV"), dividends shall be paid within thirty (30) calendar days from approval thereof by the Shareholders' Meeting. Under the rules and regulations of *Bolsas y Mercados Argentinos* ("BYMA"), in the case of cash dividends, payment shall start within ten (10) days from the relevant decision by the competent authority.

Banco Macro S.A. must inform the CNV and BYMA it has made available dividends at least 5 (five) business days before such availability.

If applicable, we shall perform the relevant tax withholding.

## **IX. PERFORMANCE OF BANCO MACRO S.A.**

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The entity's strategic goals are established by the Board and approved at the meetings held by such body. These are goals with guidelines that go beyond the current situation. The General Manager is responsible for the communication, implementation and follow-up of the Strategic Plan.

It is the policy of Banco Macro to carry out an annual process of strategic planning including the development of its future business orientation. The specific goals contemplated in the business plan and the budgets are in line with the Management's general business and risk strategy.

The above described process is communicated to the different levels of the organization, allocating priorities, specific responsibilities and project execution times, ensuring the achievement of the goals pursued, in a coordinated and systematic manner. Subsidiaries are also informed in order to allow the execution

of such process within the framework of an integral action.

## **X. SENIOR MANAGEMENT**

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The definition of Senior Management shall include the General Manager and those managers who depend directly of the General Manager or of the Chairman of the Board.

Senior Management interacts with the Board through the General Manager and the Committees created by the Board. The General Manager shall be invited to the meetings of the Board and shall participate in the Committees whenever the General Manager deems it necessary.

The Senior Management shall be responsible for the ordinary management of the business. Its primary responsibility is the implementation and execution of the corporate policies and goals approved by the Board of Directors.

Submits to the approval of the Board all strategic action plans, risks policies and annual budgets and plans and, once approved by the Board, it executes them.

The functions and duties of the Senior Management are established by the Board through the definition of corporate strategies. Regardless of the above, the Senior Management shall:

- Implement the strategies and policies and, meet the goals set by the Board of Directors.
- Develop the process to identify, assess, control, monitor and mitigate the risks incurred by the entity.
- Allocate responsibilities and monitor the compliance thereof.
- Implement appropriate internal control systems.
- Inform the Board about goal compliance
- Use the reports generated by internal and independent audits in order to evaluate the performance.

The purposes and responsibilities of the Senior Management are described in the entity's Functions Manual and are supplemented by the specific policies and procedures applicable to each of the relevant departments.

## **XI. CONTROL ENVIRONMENT**

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For the senior management achieving the best results with least efforts and resources is of the utmost importance. In order to do so, control over compliance of its decisions is necessary so that the actions executed are in line therewith, within a basic schedule that will allow for initiatives and take into account the actual circumstances existing at each time.

It should be noted that although the primary factors to be taken into account are the integrity, ethical and moral values and suitability of its members, there are other issues that are significant in the creation of operating procedures and, particularly, in the manner in which they are managed, controlled and in the degree of adhesion to the policies and in the performance of the goals set by the management.

Accordingly, Banco Macro believes that ethical values are essential to achieve an adequate control environment. The internal control system is based on such values that define the behavior of those who operate it. Such ethical values belong to a moral dimension and, thus, are beyond the mere compliance with the laws, executive orders, regulations and further provisions.

Internal control is exercised by the consolidation of compliance with the laws and the responsibility of the Bank's staff, the setting of strategic compliance items, and the establishment of adequate mechanisms to detect breaches in order to assess them, correct them and provide feedback to the system.

This system is the responsibility of each and every member of the organization. In fact, although it is a procedure that starts from the management and which has been designed to provide reasonable certainty as to the compliance with the Bank's goals, each player has a specific and very significant role to play.

### ***A. Risk Management Policies***

In the last years, the globalization of financial services together with a higher sophistication of financial technologies, have turned the banking activity much more

complex, thus its risks profiles and exposure to new risks have increased.

In such scenario, Banco Macro, taking heed of the Bank's policy and for the purpose of implementing the guidelines for an adequate risk management, has decided to implement a Risk Management Framework Policy, which defines the structures and duties involved in the daily management of risks and establishes the methods for the identification, evaluation, monitoring, control and mitigation of risks.

Accordingly, corporate risk management is the process conducted by the Board of Directors, the General Manager, the members of the Senior Management and the Bank's officers and includes the entire Bank's staff. Such management is applicable to the definition of the strategies and is designed to identify potential events that may affect the organization, manage its consequences within the range of accepted risk and provide reasonable security on goal achievement.

Consequently, there is an integral policy and different specific policies for each of the risks to which the Bank is exposed.

The Bank has designated a Risk Management Committee and defined the functions and duties of the Head of Integral Risk Management. Particularly, and with the guidelines developed in the framework, it will be responsible for ensuring that the Bank features specific policies addressed at the management of operational risk (including Technological Risk), credit and market risk (including Liquidity and Rate), counterparty risk, entitlement, strategic and reputational risk.

Furthermore, within the framework of the Risk Management Policy, we have established stress test programs and the applicable methodology to determine the economic capital.

## ***B. Internal Control***

Internal control is a strategic aspect of management and is an integral part of decision-making. Accordingly, rules and policies have been implemented that provide an adequate frame to the Bank's control environment and take into account the aforementioned primary factors. This is illustrated by the Code of Conduct, for example, the main goal of which is to provide the basic principles for all the members of the Bank, as well as the development of training programs for the Bank's personnel in order to consolidate values and criteria when facing similar

situations.

The organization has defined the internal control system as the coordinated set of methods and measures taken to safeguard the assets, verify the accuracy and reliability of the information, promote operating efficiency and encourage adherence to policies issued by the management. Internal control is exercised by the consolidation of compliance with the laws and the responsibility of the Bank's staff, the setting of strategic compliance items, and the establishment of adequate mechanisms to detect breaches in order to assess them, correct them and provide feedback to the system.

This system is the responsibility of each and every member of the organization. Although it is a procedure that starts from the management and which has been designed to provide reasonable certainty as to the compliance with the Bank's goals, each player has a specific and very significant role to play, to wit:

Board of Directors: Establishes goals and policies. Defines the risks that the Bank shall undertake. Approves the rules.

Risk Management Committee, Assets and Liabilities Committee: they establish the procedures to be implemented by the Bank in order to manage defined risks.

General Manager and Senior Management: executes the decisions of the Board of Directors and collaborates in the implementation of the mechanisms that will allow minimizing or controlling the risks of the business.

Internal Audit Committee: analyzes any deviations that may have been detected either by the audits or routine monitoring or controlling bodies that interact in the organization. In turn, the Committee evaluates the recommendations and follows-up the regularization thereof.

Internal Auditor: executes the plan approved by the Internal Audit Committee and the Board of Directors and monitors the internal control structure.

The Rest of the Organization: complies with the policies, conducts the designed procedures, detects control deficiencies in the transactions and minimizes risks.

### ***C. Internal Audit Department***

The internal audit department is in charge of assessing the adequate operation of the internal control, the compliance with the policies and procedures arising from the management and the regulations that govern the industry, within a frame of professionalism, objectivity and independence proper to such duties.

The internal audit shall be independent, shall report directly to the Internal Audit Committee and shall feature sufficient resources and a budget consistent with the complexity of the business. Each year it shall prepare and submit for approval by the Committee the Annual Audit Program.

Among its goals we can mention the following:

- to keep a proactive focus based on the identification, evaluation, monitoring and disclosure of the risks;
- add value to the organization from the internal audit department, which requires a deep knowledge of the company and its context and the needs of customers, shareholders, officers and employees. Such knowledge is materialized not only in experience, but also in an analytical attitude, that is alert and ready to face changes in the company and in the environment and in the use of tools that will allow enhancing audit work;
- to collaborate in the improvement of organization procedures, assisting in combining the culture with the transmission of the importance of controls for the internalization of all of its members;
- to promote a work scheme oriented at detecting weaknesses in internal controls and implementation errors and non-satisfied needs, acting as communication channel to establish criteria for the solution of any problems posed;
- to oversee compliance with internal and regulatory regulations;
- to follow up detected deficiencies in order to take steps to correct them when they occur on a repeated basis;
- to keep a constant and fluid communication with the management and



intermediate levels of the organization, in order to combine the auditing goals with those proper of the structure, always in line with the Bank's business plan; and

- to actively participate in the technological projects launched by the Bank, in the passing of rules and procedures and in the risks management of the Bank. Such participation is made through the analysis of the documentation and applications that support the products negotiated by the Management and the opinion issued as regards the controls designed for such purpose.

#### ***D. SOX Compliance***

SOX certification is one of the regulatory requirements established by the New York Stock Exchange (NYSE) for listing companies in the United States, and contains the affirmation that the Bank maintained, as of the fiscal year's closing, an efficient internal control over the financial information reports on the basis of a set of control criteria established so as to comply with the requirements of the Auditing Standard No. 5 "An Audit of Internal Control Over Financial Reporting That is Integrated with An Audit of Financial Statements" (AS N°5), issued by PCAOB (Public Company Accounting Oversight Board).

The term "Efficient" makes reference to the conclusion that the internal control over the financial information reports provides reasonable certainty that equivocal statements (individual or collective) arising from error or fraud of material amounts in relation to the Financial Statements, are barred or detected and duly corrected by employees in the normal course of performance of their assigned duties.

The certification of SOX methodology provides the assessment of the internal control of the Group Companies, of the Bank and of all the transaction procedures and sub-procedures that have an impact on the Financial Statements.

In sum, the assessment comprises different stages that include the revision of each procedure /sub-procedure, its documentation and subsequent verification of the associated controls and risks, assessing them in terms of efficiency of design and in terms of operation.

Additionally, the methodology provides that, should any control result insufficient or nonexistent, a plan of action must be established in order to normalize the control prior to the SOX certification, and the documentation must be updated so as to reflect the changes made throughout all the stages and all the necessary tests must be run so as to ensure regularization in order to comply with the referred rules.

The SOX Methodology Manual applicable to Macro Group is approved by the SOX Management Committee, prior to its implementation, the SEC Audit Committee taking notice thereof, evidencing its approval and taking notice of the minutes of the respective meeting.

The SOX Methodology Manual is published in the Intranet so that the personnel of the Macro Group, External Auditors and Control and Oversight Authorities may take notice thereof.

Additionally, the contents thereof are also disclosed in the Annual Training Program.

This procedure contributes to the establishment of an adequate standard of internal controls.

### ***E. Convergence***

The concept of Convergence arises from the need of implementing a Risk Management Policy that will provide for: the compliance with the reporting regulations and duty; a larger sophistication in the products and technology applied to the banking business; the treatment of risks and the combination of efforts towards joint goals and corporate governance good practices.

The goal is that the organization will meet its objectives through a systematic and disciplined approach that will allow assessing and improving efficiency in the risk management, control and management procedures.

The Convergence procedure has been disclosed through the Bank's intranet site so that it may be accessed by the organization.

### ***F. Strategic or Business Plan***

In order to promote a transparent management, the Strategic or Business Plan and

the Investment and Financing Policy are vested upon the Board of Directors.

Additionally, the Business Plan is submitted to the BCRA, in compliance with regulatory rules in force. Such Plan is jointly prepared by the business and finance areas and is approved by the Assets and Liabilities Committee, prior to its treatment by the Board of Directors.

On the other hand, a budget of expenses and investments is annually prepared and approved by the Assets and Liabilities Committee and subsequently submitted to the Board of Director's approval, and which is made part of the Bank's integral management system, providing feedback for the strategic management procedure.

### ***G. Management Control***

Banco Macro has a management control system in place in order to ensure the generation, interpretation and analysis of the strategic information that is adequate for the control of the Bank's management and budgets.

Additionally, the Management Control ensures the quality of the data, a key aspect in order that all the areas of the Bank that access the repository have the certainty that the data shall be unique and unequivocal.

This system allows providing an orderly and complete assistance to the senior and management decision-making levels.