

Self-assessment of the application of principles and content of the Integrated Report

The 2016 Integrated Report has been prepared following principles and elements of the *International Integrated Report Council (IIRC)*, to properly inform stakeholders about material issues that impact the organization's ability to create value and its coordination with the strategy and business model, taking into account the different risks and opportunities presented in the Business Group.

Additionally, there have been advances in the completion of the Integrated Report by submitting a report that clearly and concisely informs about the most significant issues concerning the holding company and relationships that exist between these, the business model, the strategy and the manner in which the holding company creates value in the short, medium and long term, as well as the stakeholders that we impact by the management of material affairs.

On the other hand, efforts have been made to include in a comprehensive and balanced way all the impacts, both positive and negative, and the way in which they are taken into account in the process of creating value in the holding company and in investment or divestment decisions. In addition to this, progress was made in monitoring the management and goals set in previous years, as well as in the future projection and setting of goals for the short, medium and long term.

With regard to stakeholder engagement, Grupo Argos' 2016 integrated report provides information on the nature, mechanisms, and quality of the organization's relationships with its key stakeholders in the "How we relate" section, including how and to what extent the organization understands, takes into

account and responds to the expectations and legitimate interests of stakeholders to generate a value proposition and maintain permanent dialogues. Also, throughout the report it is highlighted how the management of material issues responds to these expectations and interests.

The 2016 report seeks to present information that is constant over time and in a way that demonstrates the historical comparison of the holding company and its subsidiaries, as well as with other industry organizations by creating it in the context of the *Global Reporting Initiative (GRI)* under the GRI Standard version, in accordance with the essential option.

The reliability of the report is reflected in the audit of the financial and accounting information conducted by Deloitte & Touche, an independent third party acting as Grupo Argos Statutory Auditor. In addition, the same firm conducted the limited assurance of a selection of sustainability performance indicators presented in the GRI Content Index.

Below are the elements of the Integrated Report framework that have been applied in the making of this report.

Content element	Aspects included	Section
Organizational vision and operational context	Business Model and its relationship with the creation of value	How we create value/Business model and Investments with ESG approach
	Grupo Argos stock portfolio	How we create value/ Investment portfolio
	Geographic presence of conglomerate companies	About Us/About Grupo Argos
Corporate Governance	Structure of the Board of Directors and the Steering Committee	About Us/Good governance
	Committees and responsibilities of the Board of Directors	About Us/Good governance
	Good practices with the Board of Directors: nomination, election, compensation, training and evaluation of the Board of Directors	About Us/Good governance
	Codes and guidelines for ethical behavior in the conglomerate	About Us/Ethics, conduct and transparency
Business Model	Business Model and its relationship with the creation of value	How we create value/ Business model
Risks and opportunities	Strategic risks and mitigation activities of the conglomerate	Economic dimension/ Risk management
	Risks and opportunities of the conglomerate in ESG aspects	- Management Report - Who We Are - How we create value - Economic dimension - Environmental dimension - Social dimension
Strategy and resources	Business model for obtaining results	How we create value/ Business model
	Sustainability Strategy	How we create value/investments with ESG approach How we create value/ How we relate
Performance and results	Financial Performance of the subsidiaries	- Management report - How we create value/Investments with ESG approach - Economic dimension/Tax performance
	Performance and results for the holding company and its subsidiaries in the context of the triple account	- Management report - How we create value/Investments with ESG approach - How we create value/Innovation - Environmental dimension/Climate change and biodiversity strategy - Social dimension/Human talent management, contribution to social development and Human Rights

Future projection	Future projection in the relationship with Stakeholders	About Us/How we relate
	Future projection in the management of ethics, transparency and anti-corruption mechanisms	Economic dimension/Ethics, conduct and transparency
	Future projection in the intellectual capital management	How we create value/Investments with ESG approach How we create value/Innovation
	Future projection in the protection of the natural capital	Environmental dimension/Climate change strategy Environmental dimension/Biodiversity
	Future projection in human capital management	Social dimension/Human talent management and Human Rights
	Future projection in the social capital management	Social dimension/Contribution to social development
Bases for the preparation and presentation	Contextualization and progress of the comprehensive report	About the report
	Identification of the material issues in sustainability and value creation	About Us/How we relate

In conclusion, there has been positive progress vis-a-vis fulfillment of the Integrated Report framework with respect to 2015 and the necessary considerations have been taken to ensure the integrity of the framework. Even so, the Business Group is aware of the challenges and opportunities for improvement with the goal of moving closer to compliance with this framework.

Sincerely,



Camilo Abello Vives

Vice President of Corporate Affairs