Code of Corporate Governance

ANNEX IV to CNV GENERAL RESOLUTION 797/19

A) DUTIES OF THE BOARD OF DIRECTORS

<table>
<thead>
<tr>
<th>Principles</th>
</tr>
</thead>
</table>
| I. The company shall be led by a professional and skilled Board of Directors in charge of laying the necessary foundations to ensure the company’s sustainable success. The Board of Directors shall be the custodian of the company and the rights of all its shareholders.  
II. The Board of Directors shall be responsible for determining and promoting corporate culture and values. Therefore, during its performance, the Board of Directors shall ensure compliance with the highest standards of ethics and integrity based on the best interest of the company.  
III. The Board of Directors shall be responsible for ensuring a strategy inspired by a vision and a mission aligned with its values and culture. The Board of Directors shall work constructively together with management to ensure the proper development, execution, monitoring and change of the company’s strategy.  
IV. The Board of Directors shall exercise permanent control and supervision of the company’s management, ensuring that the management takes actions aiming at the implementation of the strategy and the business plan approved by the Board.  
V. The Board of Directors shall have in place the necessary mechanisms and policies to discharge its duties and those of each of its members in an efficient and effective manner. |

1. **The Board of Directors creates an ethical work culture and determines the vision, mission and values of the company.**

Whether the recommended practice applies. According to Section 12.1 of the Code of Corporate Governance (CCG), the Directors shall be subject to the duty of loyalty, and shall comply with the duties imposed by the laws and the Bylaws faithfully to the social interest, which is the Company’s interest. Likewise, the Directors shall behave ethically in accordance with the applicable regulatory requirements to those performing administrative duties in companies, particularly in financial institutions, in good faith, and in accordance with the principles that make up the values of BBVA Argentina. In this sense, our Code governs any matter related to conflicts arising between the interests of the Directors or their family members, and those of the Bank and its Group, as well as any assumption of incompatibility to perform the duties of a Director, among others aspects.

The Bank has a Code of Conduct or Ethics which was approved by the Board of Directors on December 18, 2003 and amended on August 25, 2015. It applies to all employees and includes matters related to conflicts of interest and human rights, considers the 10 principles of the United Nations Global Compact and also takes into consideration the Conventions of the International Labor Organization.
The Code has been made public and may be found on the corporate website and on the intranet for the staff of the Bank. Also, on November 27, 2018, the Board of Directors of the Bank approved an Anti-Corruption Policy that develops the principles and guidelines set forth mainly in section 4.3 of the Code of Conduct, approved by this Board of Directors at the meeting held on August 25, 2015. Its provisions also deal with other internal policies and procedures.

The Compliance Committee is responsible for handling complaints and settling them.

The Bank’s Internal Audit Committee, and the Audit Committee (Law 26,831, as amended), shall also govern these complaints, provided that the goal of these complaints falls within its scope of action. Furthermore, the Audit Committee (Law 26,831, as amended) is responsible for reviewing and approving any conflict arising between related parties.

2. The Board of Directors sets the general strategy of the company and approves the strategic plan developed by the management. In doing so, directors take into consideration environmental, social, and corporate governance factors. The Board of Directors supervises its implementation through the use of key performance indicators taking into consideration the best interest of the company and all its shareholders.

Whether the recommended practice applies. Section 11 of the CCG establishes the Powers and Responsibilities of the Board of Directors, which include the Approval of policies and strategies.

The Board of Directors shall approve specifically the following policies and strategies:

i) Strategic Plan: annual budgets, which shall include the strategic financial and business plan, as well as the management and financing objectives. The Board of Directors shall review the Bank’s management on a monthly basis.

The Board approves the Business Plan annually.

Evaluation of compliance with the goals and objectives is carried out by monitoring the annual budget. To this end, in October of every fiscal year, the Bank prepares a zero base budget which starts with objectives set by the Directors who pass it on to the different business and support areas. Subsequently, business and support units prepare a “bottom-up” budget considering the fulfillment of the objectives. Upon approval of the annual budget, budgetary control is carried out by submitting the relevant reports to the Directors and the responsible areas.

Objectives shall be fulfilled on an annual basis; however, the budget has a schedule where quantitative data to be met by the different business areas are reflected monthly in order to achieve the objectives mentioned before. The Board of Directors analyzes the bank’s management monthly by approving the management report.

Likewise, at the meeting held on July 30, 2019, the Board of Directors approved the Sustainable Finance Protocol, in order to guide our business model through triple impact objectives, intending not only to be profitable, but also to generate social impact and care for the environment, ensuring long-term sustainability.

The outburst of triple-impact financial instruments at global level that took place in recent years has been reflected locally in the issuance of the first green and sustainable bonds and loans by subnationals and financial institutions. In line with this emerging market, in March 2019, the capital
markets regulator body released the “Argentina Guidelines for the issuance of social, green and sustainable marketable securities”.
Within this context, the entities subscribing this protocol developed this voluntary initiative which represents the starting point for the creation of a sustainable finance strategy in the country, and, to that end, they signed the Argentine Sustainable Finance Protocol.

Definition and objectives.

This Sustainable Finance Protocol seeks to facilitate and encourage financial institutions in Argentina to implement the best international practices and policies that promote an integration of economic, social and environmental factors moving towards Sustainable Development.
This Protocol is a framework agreement representing a starting point for the signatories to identify and deepen into, in the future, specific issues to be agreed upon according to the stage each particular institution is at.

3. The Board of Directors supervises management and ensures the development, implementation and maintenance of an adequate internal control system with clear reporting lines.

Whether the recommended practice applies. This obligation of the Board of Directors is detailed in item ii) of the CCG providing that the Board of Directors shall approve the internal control model.
On September 24, 2019, the Board of Directors approved a General Risk Management Model which states the levels and types of risk the bank is willing to take in order to carry out the strategic plan, with no relevant deviations as regards to the limits established, even under a stress scenario and, at all times, within the regulatory framework set forth by the Argentine Central Bank.

Furthermore, the bank is working on the implementation of a non-financial risk control model. Non-financial risks include operational risk, reputational risk, business risk, strategy risk and model risk. Operational risk is defined as the risk of loss due to human errors, inadequate or defective internal processes, system failures, those risks due to external events, including legal risk. This loss may take several ways: direct impact on income statement, penalties imposed by the regulator, impairment of reputation, loss of profit, loss of efficiency, etc.

With a view to a proper management of operational risk, BBVA has a control model of three independent defense lines, in accordance with its Operational Risk Management and Control Policy, the recommendations of the various regulatory and supervisory bodies and in line with the industry standards.

The Meeting evaluates every year the performance of the General Manager; the Board of Directors certifies annually that the general manager is not subject to any disqualification as set forth by the provisions of the Financial Institutions Law, and that this person has a background evidencing skills, honesty, expertise in the financial business and possibility of dedication to duties. The performance of the General Manager is evaluated by the Talent & Culture area.

4. The Board of Directors designs the Corporate Governance structures and practices, appoints the person responsible for their implementation, monitors their effectiveness and suggests any changes if necessary.

Whether the recommended practice applies. The Board of Directors has the following committees: Steering Committee; Audit Committee; Appointment and Remuneration Committee; Internal Audit
Committee; Anti-money Laundering and Terrorist Financing Committee; Information Technology Committee; Disclosure Committee; Risk Management Committee; Corporate Assurance Committee; Compliance Committee and Asset and Liability Committee, according to the several topics to be discussed and the area at issue. Section 20 of the CCG establishes that the legal and administrative management for the normal operation of the Board of Directors and compliance with the legal provisions shall be delegated to the Head of Legal Services of Banco BBVA Argentina, who shall act as Secretary of the Board.

5. Members of the Board of Directors shall devote sufficient time to perform their duties in a professional and efficient manner. The Board of Directors and its committees have in place clear and formalized rules for its operation and organization, which are disclosed through the company’s website.

Whether the recommended practice applies. The members of the Board of Directors receive the agenda with the topics to be addressed, together with the documents to be presented at the Board meeting, 5 days in advance thereof. Title III of the CCG sets forth the rules for the operation of the Board, and Title V states the composition and operation of the various committees of the Board. Moreover, details on the committees, their composition and duties are published on the bank’s website.

B) CHAIR OF THE BOARD OF DIRECTORS AND CORPORATE SECRETARY’S OFFICE

Principles

VI. The Chairman of the Board of Directors is responsible for ensuring the actual fulfillment of the duties of the Board of Directors and for leading its members. The Chairman shall create a positive work dynamic, promote the constructive involvement of its members, and ensure they have the necessary elements and information for decision making. This also applies to the Chairman of each Board committee as regards their duties.

VII. The Chairman of the Board of Directors shall lead processes and set structures seeking the commitment, objectivity and skills of the members of the Board of Directors, as well as the better operation of the body as a whole and its evolution according to the needs of the company.

VIII. The Chairman of the Board of Directors shall ensure that all the members of the Board of Directors are involved and responsible for the succession of the general manager.

6. The Chairman of the Board of Directors is responsible for the good organization of the meetings of the Board of Directors, prepares the agenda ensuring the cooperation of the other members and ensures that they receive the necessary material in time so as to be able to take part actively in and have the necessary information for the meetings. The Chairmen of the committees shall have the same responsibilities as regards their meetings.

Whether the recommended practice applies. The members of the Board of Directors receive the agenda with the matters to be discussed at the Board meeting 5 days in advance thereof, together
with the documents to be presented, so that everyone has the necessary information to take part in meetings.

After the meeting, a draft of the minutes detailing the discussion and decision making at the meeting is sent to all the directors for their consideration.

7. **The Chairman of the Board of Directors ensures the proper internal operation of the Board through the implementation of formal annual evaluation processes.**

Whether the recommended practice applies. Section 12.6 of the CCG establishes a self-evaluation of the performance of the members of the Board. A self-evaluation is carried out on an annual basis to assess the performance of the Board of Directors as a governing body and of each of its members individually. This evaluation is performed by means of a questionnaire with several questions related to the management, frequency and structure of the Board meetings, and a self-evaluation of the Board.

8. **The president creates a positive and constructive workspace for all members of the Board and ensures that they receive ongoing training to keep up to date and be able to discharge their duties properly.**

Whether the recommended practice applies. This obligation is included in Section 3 of the CCG, which establishes that they receive prior and sufficient information for their meetings, encourages debate and active participation of directors. The Chairman of the Board of Directors creates an orderly environment with a view to dialogue and constructive criticism where all the members have all the necessary documentation to express their opinions. In this sense, the members of the Board of Directors receive the agenda with the topics to be addressed at the meeting 5 days in advance together with the documents that shall be presented at the meeting.

Likewise, the bank has an ongoing training program for the members of the Board of Directors and Managers, which is held annually and consists of a series of courses on regulations related to money laundering, stock market conduct policy, protection of personal data, information security and code of conduct.

9. **The corporate Secretary’s Office supports the Chairman of the Board of Directors in the actual management of the Board of Directors and cooperates in the communication between shareholders, Board of Directors and management.**

Whether the recommended practice applies. Section 20 of the CCG establishes the creation of the Secretary’s Office of the Board of Directors that shall ensure legal and administrative management for the normal operation of the Board of Directors. Its main duties include ensuring the provision of relevant information for the decision-making process of the Board of Directors, in due time, taking into consideration the importance of the different matters to be addressed. Legal and administrative management for the normal operation of the Board of Directors and compliance with the legal provisions shall be delegated to the Head of Legal Services of BBVA Argentina, who shall be supported by the Institutional Area of the Legal Services Director’s office. The secretary of the Board of Directors is in charge of the preparation of an Agenda with the topics to be discussed in the meeting; this meeting agenda is delivered to the members of the Board of Directors 5 days in advance, together with all the supporting documents related to the topics to be discussed. The secretary of the Board of Directors is responsible for the organization of the
shareholders’ meetings, ensuring the participation of all the directors, and cooperates with the preparation of the annual sustainability reports such as the Responsible Banking report.

10. **The Chairman of the Board of Directors ensures the involvement of all its members in the development and approval of a succession plan for the company’s general manager.**

Whether the recommended practice applies. At the meeting held on October 19, 2018, the Appointment and Remuneration Committee approved the succession plan for senior management and is currently working on the implementation of the Succession Plan for the General Manager, which shall be approved by the Board of Directors of the Corporation (BBVA Argentina), in accordance with the proposal submitted by the Appointment and Remuneration Committee, upon recommendation and proposal of the Global Assignment Committee of BBVA Holding. The design of the plan shall be carried out by the Business Partner of the Global Management of Key Roles area.

The plan shall consist in proposing suitable candidates as potential successors who shall be considered together with candidates from other BBVA Group geographies. It shall be focused on the identification and early management of excellent candidates in order to train the most suitable people to be considered as potential successors for the position to be filled. Therefore, the bank relies on the tools and processes available in T&C: Performance assessment, Skills and Potential, Talent Map and People Review.

C) COMPOSITION, APPOINTMENT AND SUCCESSION OF THE BOARD

<table>
<thead>
<tr>
<th>Principles</th>
</tr>
</thead>
<tbody>
<tr>
<td>IX. The composition of Board of Directors shall ensure appropriate independence and diversity so as to make decisions in the best interest of the company avoiding group thinking and decision making by individuals or dominant groups within the Board.</td>
</tr>
<tr>
<td>X. The Board of Directors shall ensure formal procedures for the proposal and nomination of candidates to fill positions in the Board of Directors within the framework of a succession plan</td>
</tr>
</tbody>
</table>

11. **At least two members of the Board of Directors shall be independent in accordance with the current criteria established by the CNV, the Argentine Securities Commission.**

Whether the recommended practice applies. The Bank’s Board of Directors is composed of 7 Regular Directors and 3 Alternate Directors. There are 3 independent Directors according to the CNV’s new regulation and none of them has executive duties. Therefore, the Bank has the required number of independent Directors to form the different committees (in accordance with CNV and BCRA regulations).

On the other hand, according to Argentine Central Bank Communication “A” 6111, Directors of the Bank shall not perform executive duties in the entity.
12. The company has in place an Appointment Committee which is composed of at least three (3) members and is chaired by an independent director. If the Appointment Committee is chaired by the Chairman of the Board of Directors, he/she shall abstain from dealing with the appointment of his/her own successor.

Whether the recommended practice applies. The company has an Appointment and Remuneration committee composed of 3 members and one of its members is an independent member, thus promoting better operation, objectivity and independence.

13. The Board of Directors, through the Appointment Committee, develops a succession plan for its members that guides the process of pre-selection of candidates to fill vacant positions and takes into consideration the non-binding recommendations made by its members, the General Manager and the Shareholders.

Whether the recommended practice applies. The company’s Board of Directors takes into account gender diversity, with two female directors, one of them as the Chairman.

The Appointment and Remuneration Committee certifies annually that the members of the Board of Directors and Senior Management are not subject to any of the disqualifications set forth under the provisions of the Financial Institutions Law, and that they keep the conditions of legal ability, skills, competence, honesty and expertise in the financial business and the possibility of dedication to duties which were evaluated by the BCRA upon the approval of the relevant authorization to take their respective positions. The committee has also developed a Succession Plan for Senior Management. Regarding the members of the Board of Directors, alternate directors shall succeed regular directors in the event of their resignation, death or disability.

14. The Board of Directors implements a guidance program for its new elected members.

Whether the recommended practice applies. According to Section 1 subsection 1.1 of the CCG, a guidance and support program shall be provided for the purpose of making new directors acquainted with the corporation and corporate governance rules, notwithstanding any assistance such Directors may request. In the case of new appointments, the Secretary of the Board of Directors is responsible for explaining how the Board works, coordinating meetings with peers, introducing this director to Management, setting up meetings with key personnel, and is also responsible for sending all the necessary information for the performance of his/her duties and the delivery of documentation prior to the meeting, in order to be able to make the proper decisions.

D) REMUNERATION

<table>
<thead>
<tr>
<th>Principles</th>
</tr>
</thead>
</table>

XI. The Board of Directors shall create a bonus scheme through remuneration in order to align management - led by the general manager - and the Board of Directors with the company’s long-
term interests in such a way that all directors meet their obligations with respect to all their shareholders in an equitable manner.

15. The company has in place a Remuneration Committee which is composed of at least three (3) members. The members are entirely independent or do not hold executive positions.

Whether the recommended practice applies. The Appointment and Remuneration Committee meets this requirement according to Section 27 of the CCG. It is composed of 3 members, the majority are non-executive and one of them is independent.

16. Through the Remuneration Committee, the Board of Directors sets a remuneration policy for the general manager and the members of the Board.

Whether the recommended practice applies. The Appointment and Remuneration Committee complies with this requirement in accordance with Section 27 of the CCG, whereby one of its duties is keeping the Board informed about the remuneration policy of the company, detailing trade union agreements or other general adjustments that may affect the salary structure of the Bank.

The remuneration of the Board of Directors, in Argentina, is regulated by the Companies Law and by the regulations of the Argentine Securities Commission (CNV). In accordance with those regulations, the remuneration paid to directors shall be approved at the regular annual meeting by a majority of shareholders. In addition, total fees and other remunerations shall not exceed 25% of realized and liquid profits, in case dividends are distributed. In this regard, the CNV establishes a calculation (with a maximum of 25% of the realized and liquid profits, which would require a distribution of dividends of 75% of the realized and liquid profits). If dividends are not distributed to shareholders, total remuneration of the Board of Directors shall not exceed 5% of the profits, in accordance with the provisions of the Argentine Companies Law.

17. The Board determines the company’s risk appetite and also supervises and ensures a comprehensive risk management system which identifies, evaluates, decides the course of action and monitors the risks facing the company, and includes, but is not limited to, environmental and social risks and those attached to short and long term business.

Whether the recommended practice applies. In accordance with the provisions of Section 29.4 of the CCG, the bank has a Risk Management Committee which defines and approves the strategies, manuals, policies, practices and procedures necessary to identify, evaluate, measure and manage the risks addressed by the entity (credit, market, structural, liquidity, operational risks, etc.) and these minutes are submitted to the Board of Directors. Likewise, on September 24, 2019, the Board of Directors approved the General Risk Control and Management Model, which approves the strategy and policies for the different types of risks. Risk Department is responsible, within its scope of action, for the implementation and development of the model.

Regarding the risk associated with climate change, the bank, as a sustainability leader, develops methodologies to understand and include this risk into its business models.
For the time being, Wholesale Banking analyzes the impact of favorable climate changes, in order to strengthen the Bank’s credit business or, if unfavorable, to reduce any possible losses. This analysis is performed, from the point of view of the business and of the asset or assumed risk subject to that impact. The mapping is generally performed according to the activity affected by that situation which is compared with the rest of the market. The leading case in 2018 was the analysis of the impact of the drought to which agribusiness customers are exposed in those regions.

18. The Board of Directors monitors and reviews, in an independent manner, the effectiveness of the internal audit and ensures the resources for the implementation of an annual risk-based audit plan and a direct report line to the audit committee.

Whether the recommended practice applies. The Bank has in place an Audit Committee regulated by Law 26,831, as amended, and the Argentine Securities Commission rules.

The Audit Committee carries out an annual evaluation on the Internal Audit performance and supervises the tasks fulfilled during 2019, in compliance with the provisions of the BCRA communication “A” 5042 related to minimum standards on Internal Controls, such as review of all monthly reports, evaluation of internal control remarks, etc.

Particularly, the Internal Audit Department shall define and formalize specific procedures for each of the phases of the performance which shall be included in the Audit Procedures Manual: work execution planning, report on conclusions, follow-up of recommendations and management and quality control. These procedures shall comply with the generally accepted standards (IIA Standards).

The Committee has in place rules for its operation which were approved by the Board of Directors at the meeting on held on May 27, 2003, and subsequently ratified at the Meeting held on April 22, 2004 when they were made available for shareholders. They were registered with the Superintendence of Corporations under number 8297, Book 25 of stock companies, on July 6, 2004. These rules have been amended and such amendment was approved by the Board of Directors at the meeting held on October 30, 2018.

19. The internal auditor or members of the internal audit department are independent and highly skilled.

Whether the recommended practice applies The Bank has in place an Audit Committee according to Law No. 26,831, as amended, composed of three highly skilled Directors, most of them independent. Its members are specialized in financial, business and accounting related matters with a view to carry out their tasks in a broad, independent and effective way. The Committee has its own budget.

20. The Board of Directors has in place an Audit committee which performs its duties according to rules of procedure. The committee is mostly composed and chaired by independent directors and does not include the general manager. The majority of its members have professional experience in financial and accounting areas.
Whether the recommended practice applies. The Bank has in place an Audit Committee pursuant to Law No. 26,831 as amended, consisting of three highly qualified Directors, mostly independent. Most of its members are independent.

This Audit Committee approves an Annual Plan that mainly contains the following information, in addition to the annual evaluation of the Internal Audit:

(I) An evaluation of the performance of External Audit. For this end, it evaluates its independence, analyzes its work plan, the tasks carried out during the fiscal year, the results obtained and the fees billed to the Company. In particular, the Committee considers the scope, plans and results of the external audit work and its reasonableness taking into account the business of the Company.

(II) An evaluation of compliance with the report requirements from the different regulatory bodies.

(III) An analysis of conflict of interest situations and operations with related parties.

(IV) The verification and supervision of the tasks carried out by the Regulatory Compliance Director’s office, related to the proper release of the Code of Ethics and the Company’s Market Code and compliance by the staff of the company with these codes and all legal and regulatory provisions.

21. The Board of Directors, with the opinion of the Audit Committee, approves a policy for the selection and monitoring of external auditors to determine the indicators to be considered when recommending the Shareholders’ Meeting to maintain or substitute the external auditor.

Whether the recommended practice applies. The following are some of the duties of the audit committee included in Section 11 subsection x of the CCG:

The Board of Directors shall exercise the due diligence in the hiring process and the monitoring of the duties of the external auditors, with the prior opinion of the Audit Committee. This monitoring shall be carried out annually, in accordance with the provisions of Law 26,831, as amended, and shall ensure access to the information and documents necessary to perform its duties. The CNV Audit Committee has in place rules which establish that one of its duties is to express an opinion regarding the proposal of the Board of Directors for the appointment of external auditors to be hired by the company and ensure their independence; it shall also give an opinion in case the appointment of external auditors is revoked. It also prepares, on an annual basis, a management report with an evaluation of the duties of the external audit, holds meetings with the External Auditor in order to assess its independence; to analyze its work plan, the tasks performed during the year, the results obtained and the fees billed to the Company. In particular, the Committee considers the scope, plans and results of the external audit work and its reasonableness taking into consideration the business of the Company.

22. The Board of Directors approves a Code of Ethics and Conduct that reflects ethical and integrity values and principles, as well as the company’s culture. The Code of Ethics and Conduct is delivered and applicable to all directors, managers and staff.
Whether the recommended practice applies. Section 11 subsection iv of the CCG provides the Powers and Responsibilities of the Board of Directors including, but not limited to, the approval of the Code of Conduct. The application of and the compliance with this Code by all the Bank’s staff shall be monitored by the internal audit. The Board of Directors has approved a code of ethics.

The Bank has in place a Code of Conduct or Ethics approved by the Board of Directors on December 18, 2003 and amended on August 25, 2015, which applies to all employees and includes aspects related to conflicts of interest, human rights, as well as the 10 principles of the United Nations Global Compact and Conventions of the International Labor Organization.

The Code has been made public and appears on the corporate website and on the intranet for Bank staff. Also, on November 27, 2018, the Board of Directors of the Bank approved an Anti-Corruption Policy which develops the principles and guidelines set forth mainly in section 4.3 of the Code of Conduct, approved by this Board of Directors at the meeting held on August 25, 2015. Provisions therein also deal with other internal policies and procedures.

There is in place an annual training plan on the E-campus online platform carried out by the staff and directors of the Company; some articles on the subject are also published in the intranet.

The Compliance Committee is responsible for handling complaints and finding a solution.

The Bank’s Internal Audit Committee and the Audit Committee (Law 26,831, as amended) shall also deal with these complaints, provided that the object of the complaint falls within their scope of action.

The Bank has two communication channels with its employees, customers and suppliers, in the event of breach of the Code of Conduct. Information may be delivered to the Regulatory Compliance Unit through the Complaint Channel in Argentina to the email address cconducta-arg@bbva.com or the phone number 4346-4466 or extension 14466 or to the corporate complaint channel email canaldenuncia@bbva.com or phone number (34) 915377222.

23. The Board of Directors establishes and periodically reviews, based on the risk, size and financial capacity, an Ethics and Integrity program. The plan is clearly and visibly supported by management which designates an internal responsible to develop, coordinate, supervise and evaluate the effectiveness of the program from time to time. The program provides: (i) regular training to directors, managers and employees on ethics, integrity and compliance issues; (ii) internal channels for reporting irregularities, open to third parties and adequately spread; (iii) a whistleblower protection policy against retaliation; and an internal investigation system that respects the rights of those investigated and imposes effective sanctions on violations of the Code of Ethics and Conduct; (iv) integrity policies in bidding procedures; (v) mechanisms for periodic risk analysis, monitoring and evaluation of the Program; and (vi) procedures to verify the integrity and background of third parties or business partners (including due diligence to verify irregularities, unlawful acts or weak points in any corporate conversion and acquisition process), including suppliers, distributors, service providers, agents and brokers.
Whether the recommended practice applies The bank has in place a Code of Conduct which establishes behavior guidelines to be followed by all employees so as to behave in compliance with the values of Banco BBVA Argentina and abide, fully and clearly, by the applicable laws and regulations, with the prudence and professionalism relevant to the social impact of the financial business and to the confidence placed by shareholders and clients. The code also provides for a procedure regarding the acceptance of gifts or personal benefits from customers or suppliers of the bank and Group companies.

The Compliance Committee is responsible for handling complaints and finding a settlement. The Bank has two communication channels with its employees, customers and suppliers, in the event of any breach of the Code of Conduct. Information may be delivered to the Regulatory Compliance Unit through the Complaint Channel in Argentina to the email address cconducta-arg@bbva.com or phone number 4346-4466 or extension 14466 or to the corporate complaint channel email canaldenuncia@bbva.com or phone number (34) 915377222.

There is in place an annual training plan on the E-campus online platform carried out by the staff and directors of the Company; some articles on the subject are also published in the intranet.

24. The Board of Directors ensures there are in place formal mechanisms to prevent and deal with conflicts of interest. In the event of related party transactions, the Board of Directors approves a policy which establishes the role of each corporate body and determines how to identify, manage and disclose any transactions that may adversely affect the company or certain investors only.

Whether the recommended practice applies This obligation is included in Section 12 of the CCG, which mainly states that Directors shall refrain from becoming involved in any case that may bring about a conflict of interest with the Company. They shall not be present when the corporate bodies on which they sit are discussing any matter they might have a direct or indirect interest in, or that may affect any related person as prescribed by law.

In addition, Directors may not directly or indirectly engage in personal, professional or business transactions with the Bank or its Group's companies, other than ordinary banking business, unless such transactions are subject to a procurement procedure that ensures transparency, with competitive bids and at market prices.

Directors shall also refrain from having direct or indirect involvement in businesses or companies in which the Bank or the Group companies hold an interest, unless that involvement was prior to their appointment as Director or the interest held by the Group in that company, or if the company in question is listing in domestic or international stock markets, or authorized by the Board of Directors.

Directors may not avail of their position at the Company to gain a financial advantage, or to take advantage, for their own benefit or, indirectly, for the benefit of the individuals related to such Director, of a business opportunity that may have come to their knowledge as a consequence of that Director's duties at the Bank, other than business opportunities that had been previously offered to the Bank, and that the Bank had decided to reject and provided the Board of Directors has given its consent to take that opportunity.

Directors shall disclose to the Board of Directors any direct or indirect conflict of interest they may have with the Bank, any interest such Directors may own in any company engaged in a similar or supplementary business to the Bank's corporate purpose, and any position they may hold or any duty they may perform in such company, as well as their involvement, either on such Directors’ own
account or on behalf of third parties, in the same business as, or in a business similar or supplementary to, the Bank's corporate purpose.
There is a particular section in the Code of conduct about dealing with conflicts of interest. In addition, at the meeting held on February 26, 2019, the Board of Directors approved a Policy on Conflicts of Interest which details the principles and guidelines set forth mainly in section 3.10 of the Code of Conduct approved by this Board on August 25, 2015.
The purpose is to establish a framework for BBVA Argentina’s action in order to identify, prevent, manage and, where appropriate, disclose to the client, in advance, any conflicts of interest that may arise in the provision of services.
On May 29, 2018, the Board of Directors approved the latest version of the Internal Rules of Conduct in Capital Markets which contain guidelines on how to proceed to preserve integrity in the markets, including standards aimed at preventing market abuse and ensuring transparency and competition in the markets. These Rules are published on the Bank’s website, www.bbva.com.ar, under the heading “Investor Relations”.

25. The company’s website discloses financial and non-financial information, providing timely and equal access to all Investors. This website has in place a specialized area to assist investors.

Whether the recommended practice applies. According to Section 11 subsection XIII of the CCG, the Board of Directors shall make available to the market such financial information which the Bank, as a listed company, is required to make periodically public.

In this respect, the Board of Directors, abiding by the transparency principle that should guide the Bank's actions in financial markets, shall establish appropriate mechanisms to ensure the Bank's disclosure of all such information that might be relevant to shareholders and investors.

To such end, the Bank has a freely accessible website with information complying with the highest standards of confidentiality and integrity, seeking to ensure information preservation and records.

On its website, under the Investor Relations heading, the Bank publishes Financial information (Annual Report, Statement of Financial Position and 20F); Responsible Banking Report; Information on the Share and corporate bonds; Relevant Events; Corporate Governance (Bylaws, Composition of the Board of Directors, Senior Management, Committees, etc.) and Institutional Presentations, code of conduct, internal rules of conduct in the capital market and some other information.

The website has a Contact section where shareholders may post their inquiries, which are answered by the area specialized in the field of Investor Relations.

26. The Board of Directors shall ensure a procedure for the identification and classification of stakeholders as well as a communication channel for them.

Whether the recommended practice applies. It is provided in subsection x) of Section 11 of the CCG. On the website there is a Contact section where shareholders may post their inquiries and which are answered by the Investor Relations officer.

The Investor Relations area represents the Bank before shareholders, investors and analysts, and prepares institutional presentations. For these purposes, it organizes meetings with local shareholders so as to inform them about the Bank’s strategy and its evolution.
It is also in charge of making quarterly press releases about the Bank’s management.

27. The Board of Directors sends to the Shareholders, prior to the holding of the Meeting, a “provisional information package” allowing Shareholders, through a formal communication channel, to make non-binding comments and share dissenting opinions with the recommendations made by the Board of Directors, provided the latter, upon delivering of the final information package, expressly issues on the comments received as deemed appropriate.

Whether the recommended practice applies. There is a website on which financial and non-financial information is posted. The company also has an investor relations officer who is responsible for ensuring that corporate governance information is up to date, is responsible for disclosing corporate information and receiving and answering inquiries. This website has a communication channel through which shareholders may post inquiries which are answered by the investor relations officer. The annual report is published on the website, as well as the call to the meeting, the minutes of the meeting and any information related to corporate governance, so that this information is made available to shareholders.

28. The company’s bylaws provide that Shareholders may receive the information packages for the Shareholders Meeting through virtual media and may attend the Meetings through the use of electronic means of communication that allow the simultaneous transmission of sound, images and words, ensuring the principle of equal treatment for all participants.

Whether the recommended practice applies. The recommended practice does not apply. The company’s Bylaws do not provide for this situation. If necessary, the corporation shall amend its Bylaws. In any event, ADS holders receive, sufficiently in advance, all the information to be submitted for consideration at the meeting and their inquiries are answered by the Investor Relations officer; at the Annual Meeting, holders of ADS (American Depositary Shares) are represented by the New York Mellon bank’s agent.

29. Dividend Distribution Policy is aligned with the strategy and clearly establishes the criteria, frequency and terms under which dividend distribution shall take place.

Whether the recommended practice applies. This obligation is provided for in section 11, subsection 2; the Board of Directors intends to distribute to shareholders the dividends for the fiscal year according to the percentages and under the conditions established by the comptrollers. To this end, it may approve a dividend policy, as well as that of treasury stock, and especially its limits.

BBVA Argentina has an earnings distribution policy in line with its vocation of sustained profitability for the shareholder which, at the same time, allows a favorable evolution of corporate assets and the development and growth of its business and activity. All this while maintaining good liquidity and solvency standards, in compliance with current regulations.

In accordance with the provisions of current BCRA regulations on “Distribution of earnings”, for the purposes of calculating the balances of distributable earnings, non-accounting deductions shall be made from the sum of the amounts recorded in the Retained Earnings account and the optional reserve for future distributions results.
The BCRA eliminated the additional requirement of 75% for the payment of dividends for financial institutions which was replaced, in line with Basel III, by the following:

- a conservation margin of 2.5% of risk-weighted assets (RWA), and
- an additional margin of 1% of RWA for institutions rated by the BCRA as having local systemic importance (D-SIB).
- a counter cyclical margin set by BCRA at 0%, although it may be increased to 2.5% of RWA based on its systemic risk assessment.

They shall be contributed exclusively with ordinary capital level one (COn1). If an institution does not comply with these margins, BCRA may impose a progressive restriction to distribute dividends, repurchase shares, make payments on other capital instruments or grant certain bonuses to staff.

Communication “A” 6464 introduced, as a transitory provision, that until March 31, 2020, any financial institutions which for the purpose of determining the distributable results have not increased COn1 ranges net of deductions (CDCOn1), detailed in tables of sections 4.1.4 and 4.2.4 of the rules on “Distribution of results”, by 1 percentage point, shall rely on the prior authorization of the SEFyC.

Likewise, financial institutions may distribute dividends provided that they: (i) are not subject to the provisions of sections 34 “Regularization and recovery” and 35 bis “Restructuring of the institution to safeguard lending and bank deposits” of the Law of Financial Institutions (Law 21,526); (ii) are not receiving financial assistance from the BCRA; (iii) are not late or do not comply with the information system established by the BCRA; and (iv) meet the minimum capital and cash requirements.

The BCRA issued Communication A 6768 which provides, as of August 30, 2019, that financial institutions shall have the prior authorization of the Argentine Central Bank for the distribution of their earnings ("A" 6768). In such authorization process, the Superintendence of Financial and Exchange Institutions (Superintendencia de Entidades Financieras y Cambiarias) shall consider, among other aspects, the potential effects of the application of international accounting standards according to Communication "A" 6430 (section 5.5. of IFRS 9 - Impairment of value of financial assets) and the restatement of financial statements provided by Communication "A" 6651.