

# 2016

SUSTAINABILITY  
REPORT

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REPORT

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WE ARE A DOMESTIC FINANCIAL GROUP SEEKING TO CREATE VALUE THROUGH OUR COMPANIES, OFFERING PRODUCTS AND SERVICES THAT CONTRIBUTE TO THE ECONOMIC AND SOCIAL GROWTH OF ARGENTINA.

WE UNDERSTAND THE IMPORTANCE OF BEING A RELEVANT SOCIAL PLAYER. WE NOT ONLY TAKE ON THIS ROLE, WE ALSO MAKE IT THE CORE OF OUR BUSINESS.

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REPORT

This Report contains the main issues related to the sustainability management of Grupo Financiero Galicia's main companies in 2016, "in accordance" with the Core option requirements outlined in the Global Reporting Initiative (GRI) guidelines.

"In accordance" with the Comprehensive option outlined in the GRI Guidelines, Banco Galicia supplements this Report with further information, which can be found on [galiciasustentable.com/IS2016/IA](http://galiciasustentable.com/IS2016/IA)

IT GIVES ME GREAT PLEASURE TO PRESENT THE SECOND SUSTAINABILITY REPORT FOR GRUPO FINANCIERO GALICIA. IN THIS PUBLICATION WE INFORM ABOUT THE COMPREHENSIVE MANAGEMENT AND ANNUAL PERFORMANCE OF OUR COMPANIES —BANCO GALICIA, GALICIA SEGUROS, TARJETA NARANJA, TARJETA NEVADA AND EFECTIVO SÍ—, THEREBY MEETING OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT.

THE FINANCIAL SYSTEM NURTURES THE GROWTH AND PROGRESS OF INDIVIDUALS AND THE SOCIETIES, BUT A SUSTAINABLE FINANCIAL SYSTEM CREATES, VALUES AND OPERATES BASED ON THE LONG-TERM NEEDS OF AN INCLUSIVE AND RESPONSIBLE ECONOMY.

DURING 2016, THE ARGENTINE GOVERNMENT MADE INTENSE EFFORTS TO BRING ARGENTINA BACK INTO THE WORLD COMMUNITY, AND STARTED DOWN A PATH TO ECONOMIC NORMALIZATION. AMONG THE HIGHLIGHTS OF THE YEAR WE CAN MENTION THAT IN 2016 FOREIGN EXCHANGE CONTROLS WERE DISMANTLED AND INTERNATIONAL RESERVES HAD INCREASED, AN AGREEMENT WAS REACHED WITH HOLDOUTS FUNDS, ALLOWING ARGENTINA TO RETURN TO THE INTERNATIONAL CAPITAL MARKETS, SEVERAL MEASURES WERE TAKEN TO REDUCE THE FISCAL DEFICIT, AND THERE WAS A SLOWDOWN IN INFLATION RATES DURING THE SECOND HALF OF THE YEAR.

IN THIS CONTEXT, OUR GROUP CONTINUED TO EXPAND THE NUMBER OF EMPLOYEES AND CUSTOMERS, CREATING JOBS AND OPPORTUNITIES TO IMPROVE THE WELL-BEING OF PEOPLE, WHILE FACILITATING THE GROWTH OF NATIONAL COMPANIES.

NET INCOME FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016, AMOUNTED TO PS. 6,018 MILLION, 38.7% HIGHER THAN THE PS. 4,338 MILLION RECORDED IN THE PREVIOUS FISCAL YEAR. ABOUT 90% OF THIS INCOME RESULTED FROM THE INTEREST IN OUR MAIN SUBSIDIARY, BANCO GALICIA.

AS HIGHLIGHTS OF THE YEAR, I WOULD LIKE TO MENTION THAT ACCOUNTANT FABIÁN KON TOOK UP THE POSITION OF BANCO GALICIA'S CHIEF EXECUTIVE OFFICER IN APRIL, AFTER SERVING AS GALICIA SEGUROS' CHIEF EXECUTIVE OFFICER AND RETAIL BANKING MANAGER AT THE BANK. FURTHERMORE,



**EDUARDO ESCASANY**  
CHAIRMAN  
GRUPO FINANCIERO GALICIA

Eduardo J. Escasany: He obtained a degree in Economics at Universidad Católica Argentina. He was appointed to the Bank's Board of Directors in 1975. In 1979, he was elected as the vice chairman and from 1989 to 2002 he was the chairman of the Bank's Board of Directors. He was also the first chairman of Grupo Financiero Galicia's Board of Directors in 1999, a position he took again and holds since 2010. He is married and a father of five and grandfather of three. He devotes part of his free time to playing golf.

THE BANK OPENED 19 NEW BRANCHES DURING 2016, WITH THE AIM OF ENLARGING THE CLIENT BASE AND CONTINUING TO OFFER AN INCREASINGLY HIGHER QUALITY SERVICE.

IN ADDITION, WE ARE PROUD TO HAVE OBTAINED AN EXCELLENT RESULT IN THE SURVEY "GREAT PLACE TO WORK 2016": BANCO GALICIA, GALICIA SEGUROS AND TARJETA NARANJA WERE RANKED AMONG THE TOP 5 COMPANIES TO WORK FOR IN ARGENTINA.

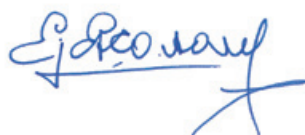
AS TO THE ENVIRONMENT, WE FURTHER DEVELOPED THE SYSTEMATIZATION OF INDICATORS OF THE DIFFERENT COMPANIES IN THE GROUP TO COMMUNICATE MANAGEMENT OBJECTIVES, INCORPORATE QUANTITATIVE TARGETS AND OPTIMIZE OUR IMPACT. FURTHERMORE, BY ADHERING TO THE EQUATOR PRINCIPLES, BANCO GALICIA IS COMMITTED TO EVALUATING ENVIRONMENTAL RISKS UPON GRANTING CREDITS FOR INVESTMENTS PROJECTS.

OUR SOCIAL INVESTMENT STRATEGY IS BASED ON OUTREACH AND PROACTIVITY, FEATURING OUR OWN PROGRAMS AND IMPLEMENTING OTHER PROGRAMS IN ALLIANCE WITH CIVIL SOCIETY ORGANIZATIONS, ALWAYS SEEKING OUT NEW OPPORTUNITIES TO CREATE VALUE FOR THE COMMON GOOD.

FOSTERED BY THE PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT AND GUIDED BY OUR SUSTAINABLE DEVELOPMENT GOALS, WE WILL CONTINUE STRENGTHENING OUR LEADERSHIP POSITION IN THE MARKET.

OUR MAIN FOCUS REMAINS ON THE QUALITY OF OUR PRODUCTS AND SERVICES IN ORDER TO PROVIDE A DISTINCT EXPERIENCE TO OUR CUSTOMERS, WHILE CONTINUING IMPROVING THE BUSINESS OPERATING EFFICIENCY.

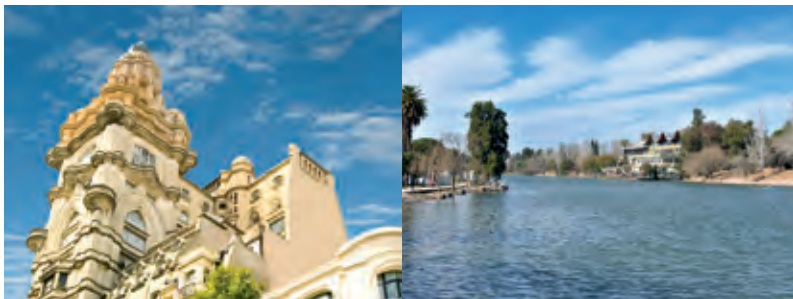
I WOULD LIKE TO THANK OUR SHAREHOLDERS, EMPLOYEES, SUPPLIERS, AND CUSTOMERS FOR THEIR TRUST IN OUR GROUP, AND FOR THEIR HELP TO ENSURE THE IMPLEMENTATION OF HIGH-IMPACT ACTIONS FOR THE DEVELOPMENT OF OUR COMMUNITIES. IN PARTICULAR, I WOULD LIKE TO GRATEFULLY ACKNOWLEDGE THE INPUT AND DEDICATION OF OUR COMPANIES' EMPLOYEES, AS THEIR WORK EXTENDS SUSTAINABILITY TO EVERY CORNER OF THE GROUP.



 Galicia



 Naranja



 Nevada



 Galicia Seguros



 EFECTIVO *Si*



THIS REPORT DETAILS THE MOST SIGNIFICANT ACTIONS CARRIED OUT BY THE COMPANIES AND THE CHALLENGES WE MUST FACE TO PURSUE AN INTEGRATED SUSTAINABILITY STRATEGY.

AS A FINANCIAL ENTITY WE PLAY A KEY SOCIAL ROLE IN STIMULATING LOCAL DEVELOPMENT THROUGH SAVINGS, INVESTMENT AND CREDIT. THIS YEAR WE SPURRED THE GROWTH OF THE PRODUCTIVE SECTOR BY PROVIDING FINANCING TO LOCAL COMPANIES FOR A TOTAL OF PS.57,008 MILLION.

IN THIS LINE, IT IS WORTH MENTIONING THE AGREEMENT EXECUTED BETWEEN THE INTERNATIONAL FINANCE CORPORATION (IFC) AND BANCO GALICIA, TO HELP JUMP-START THE AGRO-INDUSTRY SECTOR IN ARGENTINA, OFFERING A WIDE RANGE OF SERVICES TO PROMOTE ENERGY EFFICIENCY AND ENHANCE THE COMPETITIVE ADVANTAGE OF THIS KEY SEGMENT OF THE NATIONAL ECONOMY. THIS ALLIANCE WITH IFC REPRESENTS AN OPPORTUNITY TO MAINTAIN OUR LEADERSHIP POSITION IN THE MARKET, LAUNCHING INNOVATIVE AND SUSTAINABLE FINANCING SOLUTIONS FOR OUR CUSTOMERS.

NEXT YEAR OUR FOCUS WILL BE ON PROJECTS TO PROMOTE EMPLOYABILITY, FINANCIAL EDUCATION AND HEALTHY LIFESTYLES, THUS STRENGTHENING THE COMPREHENSIVE DEVELOPMENT OF THE COMMUNITIES WE OPERATE IN. IN TURN, WE WILL INCREASE OUR FINANCING LINE FOR HIGH SOCIAL AND ENVIRONMENTAL IMPACT PROJECTS. ALL OF THESE EFFORTS ARE MADE WORKING STRONGLY WITH OUR EMPLOYEES TO CREATE POSITIVE AND CHALLENGING WORK ENVIRONMENTS, BASED ON OUR CORE TEAM VALUES.



National Public Accountant by Universidad de Buenos Aires, graduated from Business School, CEO's Program at Kellogs School of Business in Spain and Líderes Sociales at Universidad Torcuato Di Tella. He was CEO and Chairman of Galicia Seguros from 2006 to 2014, when he was appointed Retail Banking Manager. He has served as Banco Galicia's Chief Executive Officer since April 2016. He is married and a father of two daughters. He writes short stories in his spare time.

FABIÁN KON  
CHIEF EXECUTIVE OFFICER

## THE REPORT AS A ROADMAP

102-21, 102-43, 102-46, 103-2, 103-3, ODS 16.3, 16.7

The companies that comprise Grupo Financiero Galicia: Banco Galicia, Galicia Seguros, Tarjeta Naranja, Tarjeta Nevada and Efectivo Sí, selected for their relative share in the business volume, hereby render account of their economic, social and environmental performance.

This Report was prepared based on the guidelines set forth in the Global Reporting Initiative (GRI)<sup>1</sup> and its Financial Services Sector Supplement, the Social Balance directives issued by IBASE<sup>2</sup>, the AA1000SES3 Accountability Standard, the Social Responsibility ISO 26000<sup>4</sup> 5 Standard, and the ten principles of the United Nations Global Compact.

The aim of this report is to meet the requirements of the Comprehensive option “in accordance” with the GRI Guidelines, to establish a clear and efficient reporting framework, and to improve year after year our sustainability management in order to create greater social and environmental value from our businesses.

Moreover, our local commitment produces a global impact, thereby showing that our sustainability strategy is in line with the Sustainable Development Goals (SDG) as approved in the 2015 United Nations Summit.

Accordingly, Banco Galicia took part of the Global Compact Argentine Network Board, attending the Leaders Summit held in New York in June 2016, with the primary purpose of encouraging the private sector to adopt the SDG in their business operations. This meeting is part of the United Nations strategy to raise awareness and promote actions towards 2030. More than 1,000 businessmen from 75 countries attended the Summit to jointly identify opportunities for action and innovation around the SDG, change their business models in order to meet social needs and enter new markets.



1. [globalreporting.org](http://globalreporting.org)

2. [ibase.br/es](http://ibase.br/es)

3. [accountability.org/aa1000ses](http://accountability.org/aa1000ses)

4. Grupo Financiero Galicia acknowledges the ISO 26000 standard as a reference document that provides guidance with regard to Social Responsibility. ISO 26000, [https://www.iso.org/files/live/sites/isoorg/files/archive/pdf/en/iso\\_26000\\_project\\_overview-es.pdf](https://www.iso.org/files/live/sites/isoorg/files/archive/pdf/en/iso_26000_project_overview-es.pdf)

5. Employees, corporate customers, individual customers, suppliers, and the community represented by

## MATERIALITY ANALYSIS

The materiality analysis is the tool we use to identify the common issues most relevant to the Group's companies and the key audiences<sup>5</sup> we relate to.

Each year we enhance this process with the aim of improving our management and responsiveness.

### IDENTIFICATION OF STRATEGIC ISSUES

We identify relevant aspects based on the impact our actions have on internal and external audiences and their activities. Based on these findings, we list strategic issues related to the sustainability management of our business at the Group level.



### MATRIX VALIDATION

We work together with the Operational Group, the Community of Leaders, and the Board of Directors, in order to ensure that the most relevant sustainability actions are included in the Report.

### PRIORITIZATION OF STRATEGIC ISSUES

We select the strategic issues most relevant to our Group and create a Matrix. The Operational Group, the Board of Directors and a cross-section sample of the companies' employees are involved in this stage.

### CONTENT REVIEW

The Report is internally reviewed by the Board of Directors, the Chairman, the Chief Executive Officer and the Division Managers. The external review is carried out by the consulting company PwC in Argentina. To further improve results, a telephone survey is conducted on stakeholders to get their feedback and expectations.

# OUR COMMITMENT TO THE INTERNATIONAL AGENDA

## STRATEGIC FOCAL POINTS FOR THE GROUP

102-15, 102-16, 102-29, 102-31, 102-47, 103-1, 103-2, 103-3, ODS 16.3, 16.7



End poverty in all its forms everywhere.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Ensure access to affordable, reliable, sustainable and modern energy for all.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



Reduce inequality within and among countries.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



Reduce inequality within and among countries.



Take urgent action to combat climate change and its impacts.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

2016 Goal Achievement:

- Achieved
- Partially achieved
- Not achieved

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8  
16

- WE BELIEVE THE ECONOMIC ACTIVITY IS ESSENTIAL FOR THE GROWTH OF THE GROUP.
- WE ARE COMMITTED TO MANAGING RISK IN A COMPREHENSIVE MANNER.
- WE DEVELOP MECHANISMS TO ENSURE ETHICAL BUSINESS CONDUCT.

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10

- OUR COMPANIES OFFER FINANCIAL PRODUCTS AND SERVICES TO A FULL RANGE OF CUSTOMERS, LOCATIONS AND ECONOMIC SECTORS.
- WE WORK TO RENDER THE BEST CUSTOMER SERVICE POSSIBLE, WITH QUALITY MANAGEMENT PROGRAMS AND MECHANISMS TO DEAL WITH CLAIMS AND COMPLAINTS, AS WELL AS THE CREATION OF SATISFACTION SURVEYS.
- CUSTOMERS' INFORMATION SECURITY IS A PRIORITY ASPECT AT THE TIME OF DEVELOPING OUR BUSINESS STRATEGY. WE IMPLEMENT THE BEST PRACTICES AND STANDARDS WITH REGARD TO PRIVACY AND CONFIDENTIALITY OF OUR CUSTOMERS' INFORMATION, ELECTRONIC BANKING PRODUCTS AND CREDIT CARDS.

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- WE STRENGTHEN OUR PRESENCE IN THE MARKET THROUGH LOCAL HIRING AND COMPETITIVE SALARIES.
- THE RESPECT FOR HUMAN AND LABOR RIGHTS IS A CENTRAL FOCUS OF OUR WORK.
- WE IMPLEMENT EMPLOYEES' TRAINING AND DEVELOPMENT PROGRAMS, AND WE ASSESS PERFORMANCE BASED ON GOALS AND EXPECTED BEHAVIOR FOR EACH POSITION.
- WE STRIVE TO ACHIEVE AN EXCELLENT WORK ENVIRONMENT. WE HAVE DIFFERENT COMMUNICATION AND DIALOG CHANNELS BETWEEN EMPLOYEES AND MANAGERS, AIMED AT COMMUNICATING SUCCESSFULLY.

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8  
10

- WE SEEK TO ACHIEVE THE WELL-BEING AND DEVELOPMENT OF COMMUNITIES THROUGH THE ADMINISTRATION OF DIFFERENT SOCIAL INVESTMENT PROGRAMS.
- OUR EMPLOYEES ACTIVELY PARTICIPATE IN CORPORATE VOLUNTEERING.

8  
12

- WE SEEK TO INCLUDE THE GROUP'S COMPANIES IN THE VALUE CHAIN BY DEVELOPING POLICIES AND REGULATIONS AND BEING IN CONTACT WITH SUPPLIERS TO FOSTER THE ADDITION OF DIFFERENT SUSTAINABLE PRACTICES TO THEIR PROCESSES.

7  
11  
12  
13

- WE PROMOTE AN ENVIRONMENTAL STRATEGY SENSITIVE TO THE DIRECT AND INDIRECT IMPACT OF OUR PROCESSES, PRODUCTS AND SERVICES WE OFFER.
- OFFICE SUPPLIES AND PARTICULARLY PAPER ARE KEY INPUTS FOR THE GROUP. HENCE, WE DEVELOPED PROGRAMS TO OPTIMIZE THEIR USE.
- ELECTRIC POWER IS THE MAIN SOURCE OF ENERGY FOR ALL THE COMPANIES IN THE GROUP. IN ORDER TO OPTIMIZE THE USE AND CONSUMPTION THEREOF, WE IMPLEMENT DIFFERENT INFRASTRUCTURE AND MAINTENANCE PROGRAMS AND PLANS.

**MATERIAL GRI TOPICS  
ASSOCIATED WITH THE GROUP**

**BANCO GALICIA  
SUSTAINABLE GOALS**

**2016 BANCO  
GALICIA'S GOAL<sup>6</sup>**

**STAKEHOLDERS**

102-15, 102-16, 102-29, 102-31, 102-40, 102-47,  
103-1, 103-2, 103-3, ODS 16.3, 16.7

**ECONOMIC PERFORMANCE**

**MARKET PRESENCE**

**ANTI-CORRUPTION**

- PROMOTING THE FINANCIAL AND SOCIAL PROFITABILITY OF BUSINESS
- CONDUCTING BUSINESS WITH THE UTMOST TRANSPARENCY, BY BUILDING UP CONFIDENCE AND CREDIBILITY
- MANAGING RISKS CAUTIOUSLY

- RESULT
- COMMUNICATION
- BRAND
- RISK

**SHAREHOLDERS**

GRUPO  
FINANCIERO  
GALICIA

**PRODUCT PORTFOLIO**

**INFORMATION AND  
MANAGEMENT OF  
PRODUCTS AND SERVICES**

**CUSTOMERS' HEALTH, PRIVACY  
AND SAFETY**

- CONTRIBUTING TO THE IMPROVEMENT OF THEIR QUALITY OF LIFE THROUGH EXCELLENT PRODUCTS AND SERVICES.
- PROMOTING FINANCIAL INCLUSION AND ACCESS TO BANKING SERVICES THROUGHOUT ARGENTINA.
- SUPPORTING PRODUCTIVE SECTORS FOR THE DEVELOPMENT OF ARGENTINA

- INVESTMENT IN INFRASTRUCTURE AND SYSTEMS
- NUMBER OF CUSTOMERS
- CUSTOMER SATISFACTION

**CUSTOMERS**

INDIVIDUALS, FAMILIES, STUDENTS, PROFESSIONALS, ENTREPRENEURS, SMALL AND MEDIUM-SIZED COMPANIES, LARGE COMPANIES, COMMERCIAL STORES, PUBLIC AND PRIVATE INSTITUTIONS, AND SOCIAL ORGANIZATIONS

**EMPLOYMENT**

**LABOR/MANAGEMENT  
RELATIONS**

**TRAINING AND EDUCATION**

**FREEDOM OF ASSOCIATION AND  
COLLECTIVE BARGAINING, CHILD  
LABOR AND FORCED LABOR**

- OFFERING COMPREHENSIVE DEVELOPMENT OPPORTUNITIES FOR OUR EMPLOYEES
- PROMOTING DIVERSITY AND INCLUSION AT THE WORKPLACE.
- MANAGING THE WORK ENVIRONMENT

- JOB CREATION
- TRAINING
- STAFF PROMOTIONS
- WORK ENVIRONMENT

**EMPLOYEES**

RECRUITED WITHOUT REGARD TO THEIR RACE, COLOR, RELIGION, ORIGIN, NATIONALITY, AGE, SEX OR MARITAL STATUS

**DEVELOPMENT OF  
LOCAL COMMUNITIES**

- ENCOURAGING THE DEVELOPMENT OF THE MOST VULNERABLE SECTORS BY PROMOTING EDUCATION, HEALTH AND EMPLOYMENT.
- FOSTERING FINANCIAL EDUCATION
- STRENGTHENING CIVIL SOCIETY

- PROGRAM MANAGEMENT
- INVESTMENT IMPACT

**COMMUNITY**

CIVIL SOCIETY ORGANIZATIONS, BENEFICIARIES OF SOCIAL PROGRAMS, INTERNATIONAL AGENCIES, PUBLIC ORGANIZATIONS, ACADEMIC INSTITUTIONS, CORPORATE ORGANIZATIONS AND THE MEDIA

**SOCIAL ASSESSMENT  
OF SUPPLIERS**

- PROMOTING THE SUSTAINABLE MANAGEMENT OF THE VALUE CHAIN
- CONTRIBUTING TO THE DEVELOPMENT OF OUR SUPPLIERS

- ADHERENCE TO THE ENVIRONMENTAL POLICY
- RELATION WITH KEY SUPPLIERS

**SUPPLIERS**

SMALL, MEDIUM-SIZED AND LARGE COMPANIES THAT SUPPLY PRODUCTS AND SERVICES

**MATERIALS: PAPER**

**ENERGY**

**MITIGATION OF THE IMPACT  
OF PRODUCTS AND SERVICES.**

- MANAGING OUR BUSINESS BY MAKING AN EFFICIENT USE OF RESOURCES AND REDUCING OUR DIRECT AND INDIRECT IMPACT
- RAISING AWARENESS AMONG OUR STAKEHOLDERS ON THE IMPORTANCE OF TAKING CARE OF THE ENVIRONMENT

- ENVIRONMENTAL MANAGEMENT
- ENVIRONMENTAL AND SOCIAL RISK ANALYSIS

**ENVIRONMENT**

INTERNATIONAL AND ENVIRONMENTAL AGENCIES RESEARCHERS AND THE ACADEMIC WORLD EMPLOYEES, CUSTOMERS, SUPPLIERS AND THE COMMUNITY

6. For a complete description of the 2016 Banco Galicia's Goals, please visit [galiciasustentable.com/IS2016/IA](http://galiciasustentable.com/IS2016/IA)

## GRUPO FINANCIERO GALICIA

102-1, 102-2, 102-5, 102-6, 102-16, 102-17, 102-25, 103-2, 103-3, 205-2, ODS 1.4, 8.3, 8.10, 16.3, 16.5

As a financial services holding company, the Group's main activity consists of managing its equity interests, net worth and resources. Accordingly, the Group does not carry out transactions of its own, and instead operations are conducted through its subsidiaries. The Group has an exclusive financial and investment purpose.

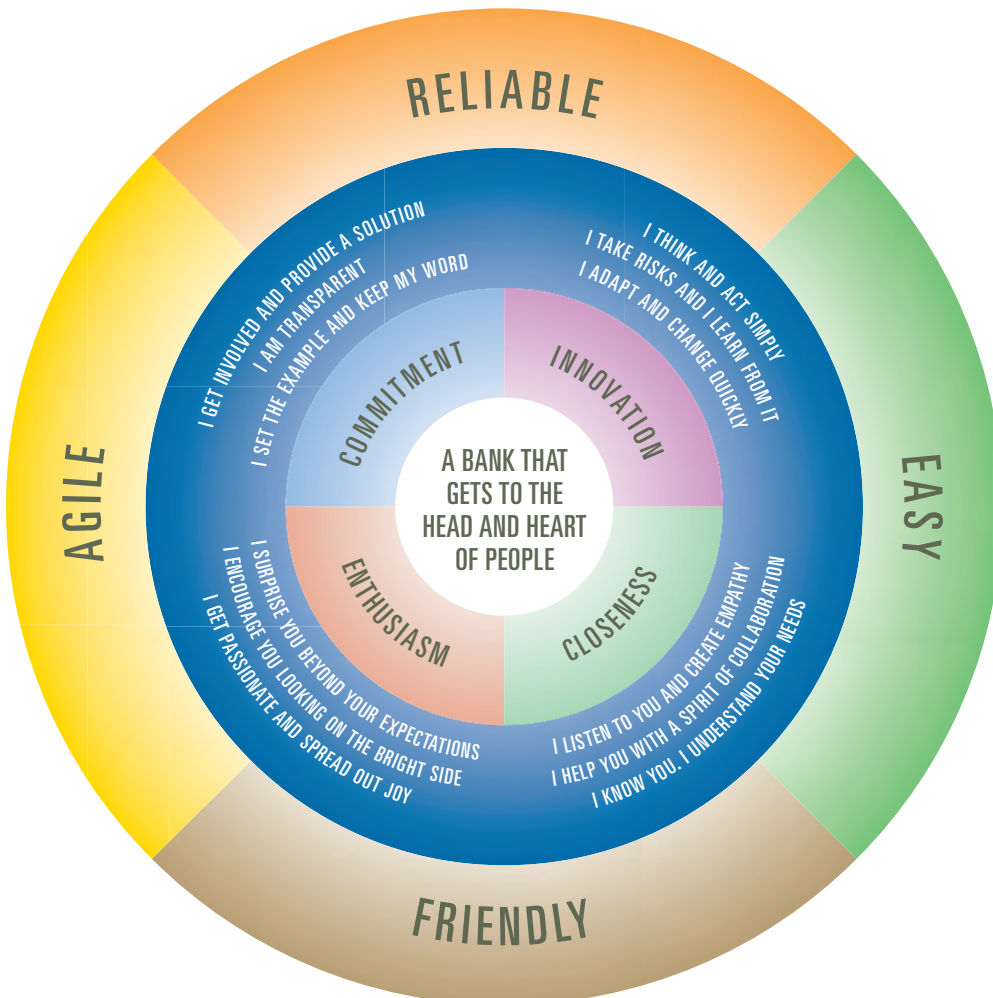
Banco Galicia is the Group's main subsidiary. In turn, the Bank is a shareholder of Galicia Seguros and has equity interests in Tarjeta Naranja and Tarjeta Nevada through Tarjetas Regionales S.A., and the controlling equity interest in Compañía Financiera Argentina (CFA), whose trade name is Efectivo Sí. This company is currently in the process of being sold. That will enable Banco Galicia to improve its capital base and provide credit support to different segments.

The companies that constitute the Group promote respect for human rights and this is evident in every action they take and reflected in their values (accountability, safety, data protection, respect for the law, fair trading, and honesty) and the Code of Conduct<sup>7</sup>, a mandatory compliance requirement for all employees.

### ETHICS HOTLINE

IN 2016 A NEW SPACE WAS CREATED RUN BY AN INDEPENDENT THIRD PARTY PROVIDER. A CONFIDENTIAL, ANONYMOUS HOTLINE FOR THE GOOD FAITH REPORTING OF CONCERNS ABOUT POSSIBLE VIOLATIONS OF LAW OR THE CODE.

### OUR PURPOSE, VALUES AND PILLARS OF SERVICE



"OUR SOCIETY IS INCREASINGLY CONSCIOUS OF VALUES AND DEMANDS HIGH STANDARDS OF ETHICAL AND RESPONSIBLE CONDUCT FROM BOTH THE PUBLIC AND THE PRIVATE SECTOR. THEREFORE, TRUST, REPUTATION AND TRANSPARENCY HAVE BECOME RELEVANT ISSUES. TO DEMONSTRATE BY OUR ACTIONS THAT SUSTAINABILITY IS TRULY PART OF THE GROUP'S BUSINESS STRATEGY CREATES A DIFFERENTIAL VALUE THAT DRIVES CUSTOMERS TO CHOOSE US".

**CONSTANZA GORLERI**  
BANCO GALICIA'S  
SUSTAINABILITY MANAGER

**11,956**  
EMPLOYEES

**+9,000,000**  
CUSTOMERS

**5.18**

MILLION PESOS IN ENVIRONMENTAL PROTECTION EXPENSES AND INVESTMENTS

**6,018**

MILLION PESOS IN NET INCOME

**38.7%**

INCREASE IN NET INCOME FOR THE FISCAL YEAR AS COMPARED TO 2015

**10.1%**

BANCO GALICIA'S MARKET SHARE IN TOTAL LOANS IN THE PRIVATE SECTOR

**700**  
GALICIA LEADERS

**157,400**  
MILLION PESOS IN CREDIT EXPOSURE

**542**  
BRANCHES

**40.22**  
MILLION PESOS IN SOCIAL INVESTMENT

**51.6%**  
INCREASE OF US DOLLAR-DENOMINATED AND PESO-DENOMINATED DEPOSITS

GRUPO FINANCIERO GALICIA	UNIT	2015	2016
<b>PHYSICAL DATA</b>			
Employees	Number	12,131	11,956
Total Branches	Number	525	542
- Banco Galicia	Number	260	279
- Regional Credit-card Companies	Number	207	206
- Compañía Financiera Argentina	Number	58	57
<b>ALTERNATIVE CHANNELS</b>			
ATMs	Number	857	985
Self-Service Terminals	Number	857	1,307
E-Banking Transactions	Number	356,054,514	1,042,241,839
Telephone Banking Transactions	Number	7,352,363	35,980,089
<b>FINANCIAL INFORMATION</b>			
Net Income	Millions of Pesos	4,338	6,018
Average Shares Outstanding (In Millions)	Millions of Pesos	1,300	1,300
Earnings per Share <sup>8</sup>	Millions of Pesos	3.34	4.63
Assets	Millions of Pesos	161,748	242,251
Loans, Net	Millions of Pesos	98,345	137,452
Deposits	Millions of Pesos	100,039	151,688
Shareholders' Equity	Millions of Pesos	14,485	20,353
<b>NATIONAL, PROVINCIAL AND MUNICIPAL TAXES</b>			
The Bank's Total Contribution	Millions of Pesos	9,219.24	10,355.81
Taxes on Account of Third Parties	Millions of Pesos	248,770.02	348,128.11
Withholdings	Millions of Pesos	31,968.25	25,721.08
Collections	Millions of Pesos	216,802	322,407.02
<b>PROFITABILITY AND EFFICIENCY</b>			
Administrative Expenses as a Percentage of Net Operating Income <sup>9</sup>	%	63.64	64.98
<b>INDICATORS</b>			
Return on Average Shareholders' Equity <sup>2</sup>	%	35.54	35.03
Return on Average Assets <sup>10</sup>	%	3.83	3.48
<b>MARKET SHARE<sup>11</sup></b>			
Deposits from the Private Sector	%	9.4	9.92
Loans to the Private Sector	%	9.68	10.12
<b>EXCHANGE RATE</b>			
Pesos per US Dollar	pesos	13.005	15.85

7. The Code is public and can be read on [fgsa.com](http://fgsa.com).

8. Calculated based on net income.

9. Net operating income: financial income less financial expenses plus net income from services.

10. Financial income less financial expenses, divided by average interest-earning assets.

11. The market share corresponds to deposits and loans in the Argentine market and is calculated based on daily information on deposits and loans in the Argentine financial system, prepared by the Argentine Central Bank using end-of-month balances.



## BANCO GALICIA

### HISTORY

FOUNDED IN 1905 BANCO GALICIA IS ONE OF THE LARGEST PRIVATE-SECTOR BANKS IN THE ARGENTINE FINANCIAL SYSTEM. THROUGH ITS TRADITIONAL AND ALTERNATIVE DISTRIBUTION CHANNELS, THE BANK MARKETS A BROAD SPECTRUM OF FINANCIAL PRODUCTS AND SERVICES TO INDIVIDUALS AND CORPORATIONS. OUR COMMITMENT TO SUSTAINABLE MANAGEMENT IS GROUNDED IN THE BELIEF THAT BUSINESS CAN ONLY GROW SUCCESSFULLY IF OPERATIONS ARE CONDUCTED BASED ON THEIR SOCIAL AND ENVIRONMENTAL IMPACT. THIS RESPONSIBILITY IS SUPPORTED BY PRINCIPLES AND PURPOSES THAT GUIDE THE CONDUCT OF OUR EMPLOYEES AND IS REFLECTED AND MATERIALIZED IN OUR POLICIES, PRACTICES AND PROGRAMS.

### GOALS

TO OFFER A GREAT CUSTOMER EXPERIENCE BY PROVIDING HIGH-QUALITY FINANCIAL SERVICES AND PRODUCTS, ALWAYS BEING A FRIENDLY, EASY, AGILE AND RELIABLE BANK, WITH THE AIM OF GETTING TO THE HEAD AND HEART OF PEOPLE.

### VALUES

ENTHUSIASM, INNOVATION, CLOSENESS AND COMMITMENT, BASED ON THE MAIN PRINCIPLES OF ETHICS AND HONESTY.

### 2020 VISION

TO BE THE BEST UNIVERSAL BANK IN ARGENTINA.

## TARJETA NARANJA

### HISTORY

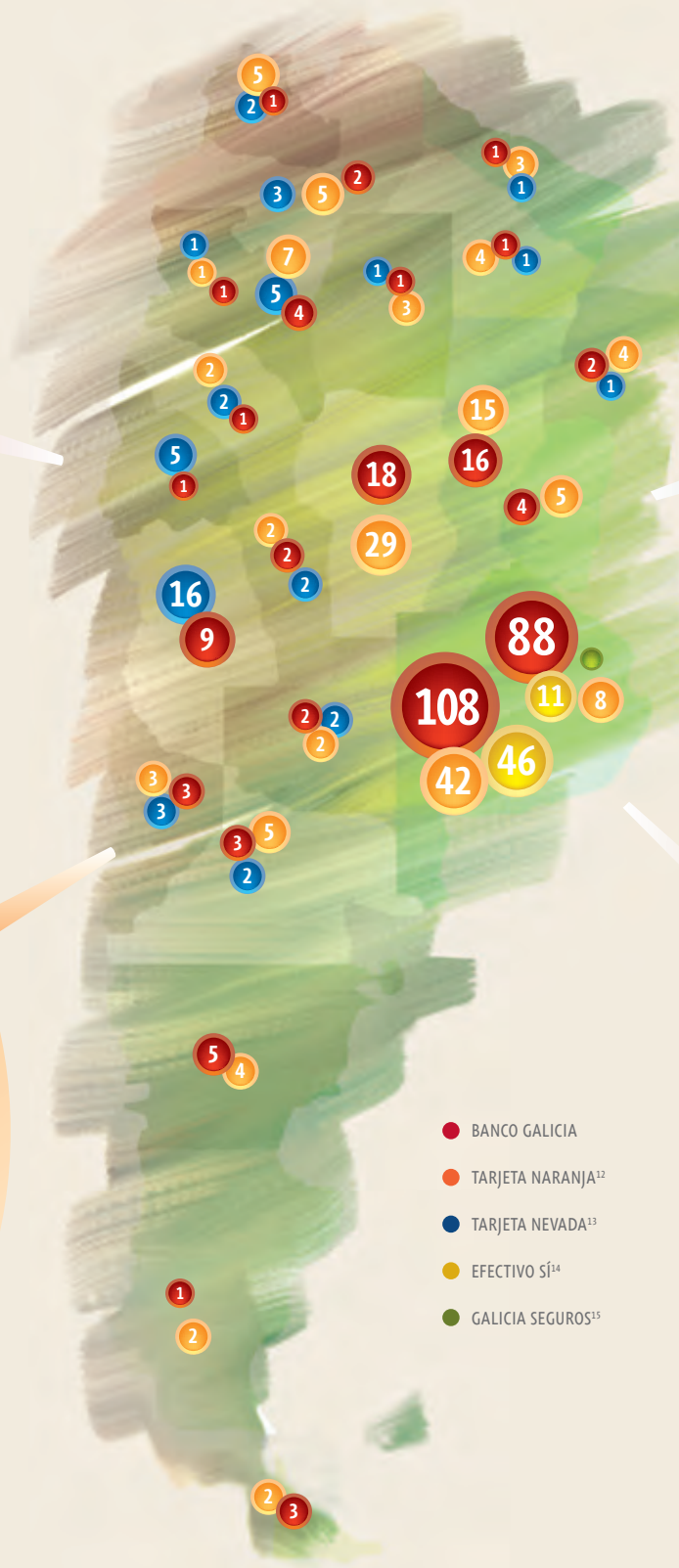
NARANJA IS THE MAIN CREDIT CARD ISSUER IN ARGENTINA AND THE LEADING BRAND IN THE PROVINCES. IT WAS LAUNCHED IN CÓRDOBA IN 1985 TO PROVIDE IN-HOUSE CUSTOMER FINANCING AT THE SPORTS STORE SALTO 96, FOUNDED BY PHYSICAL EDUCATION PROFESSORS, DAVID RUDA AND GERARDO ASRIN. IN 1995, BANCO GALICIA BECAME A SHAREHOLDER, THUS FACILITATING THE EXPANSION OF THE COMPANY THROUGHOUT ARGENTINA, TOGETHER WITH NEW FINANCIAL PLANS AND SERVICES FOR CUSTOMERS. OUR TRUST IN NARANJA ACCELERATED AND CONSOLIDATED ITS GROWTH, UNTIL EVENTUALLY BECOMING AN INDISPUTABLE MARKET LEADER.

### GOAL

THE COMPANY'S VISION IS TO BE THE LEADING CREDIT CARD ISSUER IN ARGENTINA, WITH A BROAD PRESENCE NATIONWIDE, EXPANDING THE BUSINESS TO OTHER COUNTRIES AND RENDERING CONSUMER-ORIENTED FINANCIAL SERVICES. THESE GOALS CAN ONLY BE ATTAINED THROUGH A TEAM OF CAPABLE, CHEERFUL AND MOTIVATED EMPLOYEES WHO CAN DEVELOP A STRONG EMOTIONAL ATTACHMENT WITH CUSTOMERS.

### VALUES

THE VALUES THAT INSPIRE TARJETA NARANJA'S ACTIONS ARE JOY OF WORKING, AN OPEN DOOR APPROACH, ONGOING IMPROVEMENT AND AN INVERTED PYRAMID APPROACH (A CUSTOMER-CENTRIC ORGANIZATION).



- BANCO GALICIA
- TARJETA NARANJA<sup>12</sup>
- TARJETA NEVADA<sup>13</sup>
- EFECTIVO SÍ<sup>14</sup>
- GALICIA SEGUROS<sup>15</sup>

12. In addition, Tarjeta Naranja has 1 virtual store and 48 points of sale.

13. In addition, Tarjeta Naranja has 5 points of sale.

14. In addition, Efectivo Sí has 37 points of sale in the provinces.

15. Galicia Seguros' Head Office is located at Maipú 241, Autonomous City of Buenos Aires. Even though it does not have branches of its own, it has customer service officers at Banco Galicia's Corporate Banking Centers throughout Argentina.

## GALICIA SEGUROS

### HISTORY

THE COMPANY STARTED CONDUCTING BUSINESS ACTIVITIES IN 1996, AS PART OF GRUPO FINANCIERO GALICIA. IT OFFERS PERSONAL INSURANCE AND PROPERTY INSURANCE FOR STORES AND COMPANIES. THE COMPANY HAS ACHIEVED LEADING POSITIONS IN THE INSURANCE MARKET, PROVIDING INSURANCE COVERAGE FOR A NUMBER OF ITEMS, ESPECIALLY HOME, THEFT, AND PERSONAL ACCIDENT. THIS WAY IT IS PRESENT IN THE PEOPLE'S LIVES, SUPPORTING ALL OF THEIR NEEDS. IN 2016 THE COMPANY RESTATED ITS STRATEGY AND REDEFINED ITS CORPORATE PURPOSE AND VALUES WITHIN THE FRAMEWORK OF THE

ORGANIZATIONAL CULTURE AND CHANGE PROJECT.

### GOALS

THE GOAL IS TO TAKE CARE OF PEOPLE'S FEELINGS AND ACHIEVEMENTS. TO DELIVER, ALWAYS.

### VALUES

I AM INSPIRED: STAYING POSITIVE AND BEING PASSIONATE ABOUT WORK. I COMMIT MYSELF: TO PURSUE EXCELLENCE AT WORK. I COME CLOSER: BY CREATING EMPATHY AND GETTING INVOLVED. BUILDING THE SPIRIT OF GS. I INNOVATE: SUGGESTING NEW WAYS OF DOING AND THINKING, EXCELLING AND CREATING OPPORTUNITIES.



## TARJETA NEVADA

### HISTORY

TARJETA NEVADA WAS FOUNDED IN 1996 IN THE CUYO REGION AS A TOOL FOR BUSINESS AND FINANCIAL SERVICES. WORKING IN CONJUNCTION WITH BANCO GALICIA, THE COMPANY MANAGED TO EXPAND TO 15 PROVINCES OFFERING ITS NEVADA PRODUCTS AND NEVADA VISA, WHILE STRENGTHENING LINKS BETWEEN NATIONAL PARTNERS AND STORES, AND PROVIDING INTERNATIONAL SERVICES.

### GOALS

TO CREATE ADDED VALUE TO ITS PARTNERS AND HELP ITS MEMBER STORES TO SUCCEED BEYOND THEIR EXPECTATIONS.

### VALUES

ORDER, RESPECT AND JOY INSPIRE US IN EVERYTHING WE DO, ESPECIALLY TAKING CARE OF PEOPLE.



## EFFECTIVO SÍ

### HISTORY

EFFECTIVO SÍ WAS CREATED IN 1982 AS A PRODUCT PARTICULARLY DEIGNED TO MEET THE FINANCIAL NEEDS OF THE UNBANKED SECTOR. IN 2010 THE COMPANY WAS ACQUIRED BY BANCO GALICIA, AND TODAY IS A NON-BANKING FINANCIAL INSTITUTION, LEADER IN THE CONSUMER LOAN INDUSTRY. THE COMPANY'S BUSINESS HAS DEVELOPED STRONGLY IN THE AREAS OF CREDIT AND DEBIT CARDS, INSURANCE AND MICROINSURANCE, SAVINGS ACCOUNTS AND TIME DEPOSITS.

### GOALS

TO BE AHEAD OF THE COMPETITION WHILE MAINTAINING THE FOCUS ON CREATIVITY AND FLEXIBILITY TO SATISFY THE SPECIAL NEEDS OF THIS MARKET.

### VALUES

ITS PURPOSE IS TO "SUPPORT THE DEVELOPMENT OF INDIVIDUALS AND IMPROVE THEIR CHANCES." TO THIS END, DAILY WORK IS DEVELOPED BASED ON THE FOLLOWING VALUES: "WE ARE CUSTOMER-CENTRIC, CREATE VALUE, STAY POSITIVE AND CLOSE, AND CONSTANTLY CHALLENGE OURSELVES."

## CORPORATE GOVERNANCE

102-18, 102-19, 102-20, 102-22, 102-23, 102-26, 102-30, 108-19, 405-1, ODS 8.5, 16.7

The Board of Directors is Grupo Financiero Galicia's highest governance body. It is in charge of receiving the business plans of controlled companies to prepare a consolidated business plan that takes into consideration the goals set, the context and the allocated budgets, bearing in mind our principles and values, which are based on ethics and corporate responsibility.

Today, the Group's Board of Directors is made up of a Chairman, a Vice Chairman, and 6 Directors, who meet formally four times a month and each time circumstances so require it.

Furthermore, by participating in different Committees, the Board of Directors monitors the compliance with the corporate governance policies pursuant to applicable regulations.

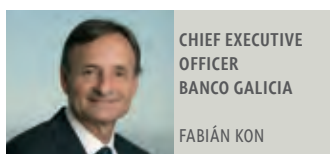
### BOARD OF DIRECTORS

EDUARDO J. ESCASANY <sup>16</sup>	CHAIRMAN
PABLO GUTIÉRREZ	VICE CHAIRMAN
ABEL AYERZA	DIRECTOR
FEDERICO BRAUN	DIRECTOR
SILVESTRE VILA MORET	DIRECTOR
ANTONIO R. GARCÉS	DIRECTOR
C. ENRIQUE MARTIN	DIRECTOR
LUIS O. ODDONE	DIRECTOR

### OUR STRATEGIC MANAGEMENT

In its capacity as a holding company, Grupo Financiero Galicia has a reduced structure, and its main asset is its controlling equity interest in Banco Galicia.

The Bank's strategic management is in charge of making comprehensive business decisions, and its governance body is composed of a Board of Directors, chaired by Sergio Grinenco in its capacity as Chairman, which defines the economic, social and environmental policies; the Chief Executive Officer, who is responsible for the implementation of the corporate strategy and takes part in the Board of Directors of subsidiaries; and the Executive Committee, composed of 11 Division Managers who attain the companies' strategic goals, including aspects related to sustainability.



16. The Chairman of Grupo Financiero Galicia's Board of Directors does not have executive functions in none of its companies



**PLANNING**  
BRUNO FOLINO



**FINANCIAL DIVISION**  
PABLO LEÓN CASTRO



**CONSUMPTION DIVISION**  
MIGUEL PEÑA  
**CHIEF EXECUTIVE OFFICER REGIONAL**



**CUSTOMER'S EXPERIENCE**  
FLAVIO DOGLIOLO



**WHOLESALE BANKING**  
SEBASTIÁN PUJATO



**RETAIL BANKING**  
GERMÁN GHISONI



**COMPREHENSIVE CORPORATE SERVICES**  
GASTÓN BOURDIEU



**CHAIRMAN GALICIA SEGUROS**  
SEBASTIÁN GUTIÉRREZ



**ORGANIZATIONAL DEVELOPMENT AND HUMAN RESOURCES**  
RAFAEL BERGÉS



**RISK MANAGEMENT**  
DIEGO RIVAS



**CREDIT**  
MARCELO PONCINI



**GENERAL DIRECTOR**  
TARJETA NARANJA  
JULIÁN BRAVO



**CHIEF EXECUTIVE OFFICER TARJETA NEVADA**  
PABLO KEMEÇ



**CHIEF EXECUTIVE OFFICER EFECTIVO SÍ**  
PABLO CAPUTTO

#### COMPLIANCE WITH STANDARDS AND REGULATIONS

ALL OUR OPERATIONS ARE RULED BY THE ARGENTINE CENTRAL BANK (BCRA)'S REGULATIONS, THE CODE OF CORPORATE GOVERNANCE, THE CODE OF BANKING PRACTICES, THE NATIONAL SECURITIES COMMISSION, THE ADVERTISING SELF-REGULATION CODE, AND THE SARBANES-OXLEY ACT.

#### CONFLICT OF INTERESTS

THE AUDIT COMMITTEE SHALL INTERVENE IN CASES OF TRANSACTIONS WHERE THERE ARE OR MAY BE CONFLICTS OF INTERESTS, PURSUANT TO WHAT IS SET FORTH IN ITS RULES AND REGULATIONS. THIS ISSUE IS ALSO DEALT WITH IN THE CODE OF ETHICS.

#### TRAINING

GRUPO FINANCIERO GALICIA'S DIRECTORS AND MANAGERS TAKE PART IN DIFFERENT BANKING-SPECIFIC FORUMS AND CONGRESSES, AS WELL AS IN ACTIVITIES RELATED TO THE PROMOTION OF SUSTAINABILITY PRINCIPLES. TRAINING ACTIVITIES ARE CONDUCTED BASED ON SPECIFIC NEEDS.

#### ASSESSMENT

THE BOARD OF DIRECTORS IS ASSESSED BY SHAREHOLDERS AT THE SHAREHOLDERS' MEETING, TAKING AS WELL INTO CONSIDERATION THE INFORMED OPINION OF THE SUPERVISORY SYNDICS' COMMITTEE. THE BOARD OF DIRECTORS PROVIDES THOROUGH EXPLANATIONS IN ITS ANNUAL REPORT AND ANSWERS ALL THE QUESTIONS ASKED AT THE SHAREHOLDERS' MEETING

#### COMPENSATION

THE POLICY FOR COMPENSATION APPLIED BY THE GROUP CONSISTS IN ARRANGING SALARY LEVELS IN ORDER OF IMPORTANCE BASED ON A SYSTEM THAT DESCRIBES AND ASSESSES TASKS BY FACTORS. THE AIM IS TO PAY COMPENSATION ENSURING INTERNAL EQUITY CRITERIA WHILE STAYING COMPETITIVE IN THE MARKETPLACE.

#### TRANSPARENCY

WE ENSURE FLUID COMMUNICATION WITH OUR STAKEHOLDERS THROUGH THE CHANNELS FOR DIALOGUE OF ALL OUR COMPANIES.

## COMPREHENSIVE RISK MANAGEMENT

102-11, 102-30, 103-2, 103-3, 205-1, 205-2, ODS 16.3, 16.5

Grupo Financiero Galicia manages business risk in a comprehensive manner through its Board of Directors, and develops ethical processes to facilitate compliance with applicable regulations, update policies, and guarantee the safety and transparency of our operations.

Comprehensive risk management is key to the business strategy and the creation of value for its shareholders.

Banco Galicia's Risk Management Division continuously monitors major risk operations that may prevent the attainment of the Bank's strategy, ensuring strict compliance with regulations in force and internal policies, while keeping the Board of Directors informed of the level of exposure. Furthermore, it proposes policies and procedures to maintain the appropriate risk appetite as determined by the shareholders, in line with the best international practices with the aim of constantly improving processes.

In order to efficiently manage risks, this Division has specialized teams for each risk factor:

**Financial Risks:** Related to liquidity and solvency levels.

**Credit Risks:** The risk of total or partial economic loss in the event of customers or counterparts failing to perform financial obligations to the Bank or its affiliated companies.

**Operational Risks:** The risk of losses deriving from noncompliance or failures in the internal processes, or the performance of employees or systems, as well as the risks resulting from external events.

**Market or "Price" Risks:** The risk of incurring losses as a consequence of the variation of the market price of financial assets whose value is subject to negotiation.

**Interest Rate Risks:** The risk that the financial margin and the economic value of equity may vary as a consequence of fluctuations in market interest rates.

**Reputational and Strategic Risks:** Loss-making situations or a significant drop in confidence or quality perception among target audiences.

**Environmental and Social Risks:** The potential to have a negative impact on aspects related to the preservation of natural areas, the development of communities, and the human rights.





## Prevention of Money Laundering and Compliance

103-2, 103-3, 205-1, 205-2, ODS 16.5

Banco Galicia has policies, procedures and control structures in place to help identify, evaluate and understand the risks of money laundering and terrorism financing, ensuring compliance with applicable regulations and international standards, thus minimizing reputational damage.

In turn, the rest of the companies comprising Grupo Financiero Galicia, through its Committees on Prevention of Money Laundering and Terrorism Financing, have set forth policies and procedures for the prevention and detection of transactions involving illegally-sourced funds. In 2016, the Group's companies provided training to employees to raise awareness on this issue with the ultimate goal of detecting possible risks. In addition, improvements were made to the processes and systems used to analyze transactions and facilitate compliance with the various regulations issued by the Financial Information Unit (UIF as per its initials in Spanish); customer information was updated and the process to create potential customer profiles was enhanced.

### TRAINING ON PREVENTION OF MONEY LAUNDERING

	Banco Galicia	Tarjeta Naranja	Tarjeta Nevada	Galicia Seguros	Efectivo Si
Participants	2,496	3.372	60	69	779
Training Hours	3,511	6.713	120	493	807

## Tax Amnesty

In 2016 the Tax Amnesty Law, which establishes a voluntary and exceptional regime for the disclosure of unreported national and foreign currency and assets located within Argentina and abroad, entered into effect. Such Regime was applicable to those who comply with the provisions set forth therein.

The Bank took the necessary actions to adjust systems and procedures for a successful amnesty for undeclared assets, offering informative talks to advise customers on the alternatives provided by the Law, thus delivering an excellent experience and creating added value.

As an authorized agent bank, the Bank opened 24,993 special amnesty accounts. This year, the huge increase in US Dollar-denominated deposits, in excess of US\$ 3,200 million, is largely explained by the impact of the Tax Amnesty Law.

# 1

RECORD OF BRANCH OPENINGS IN 2016, BANCO GALICIA OPENED 19 NEW BRANCHES, REACHING ITS HISTORICAL RECORD. THESE BRANCHES ALLOW US GREATER ACCESSIBILITY AND CLOSENESS ADDING VALUE TO THE CUSTOMER'S EXPERIENCE.



# 2

BRANCHES WITH DYNAMIC AND FLEXIBLE SPACES  
BANCO GALICIA RENEWED THE DESIGN OF ITS BRANCHES TO ADAPT THEM TO THE CUSTOMERS' NEW EXPECTATIONS INCREASING INTERACTION WITH DIGITAL CHANNELS AND DEVELOPING NEW TECHNOLOGIES.

# 3

TOWARDS A DIGITAL BANKING BANCO GALICIA UPDATED ITS APP SO THAT CUSTOMERS MAY OPERATE FASTER. DURING 2016, THIS SERVICE, WHICH GROWS EVERY DAY IN NUMBER OF USERS, WAS USED BY OVER 240,000 CUSTOMERS, OBTAINING A HIGH VALUE AT IOS AND ANDROID STORES.



# 4

**NEW UVA MORTGAGE LOANS**  
BANCO GALICIA GRANTED MORE THAN 170 MILLION PESOS IN UVA (AS PER ITS INITIALS IN SPANISH) (UNIDAD DE VALOR ADQUISITIVO) LOANS, ALLOWING MORE PERSONS TO HAVE ACCESS TO THEIR OWN HOUSE. THIS LAUNCH GAVE RISE TO AN EXPONENTIAL INCREASE IN OUR CUSTOMERS' LOAN REQUESTS.

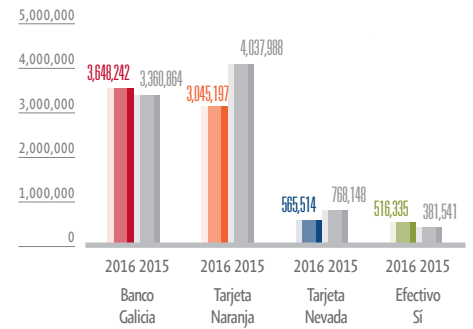
# CUSTOMERS

# OUR CUSTOMERS' PROFILE

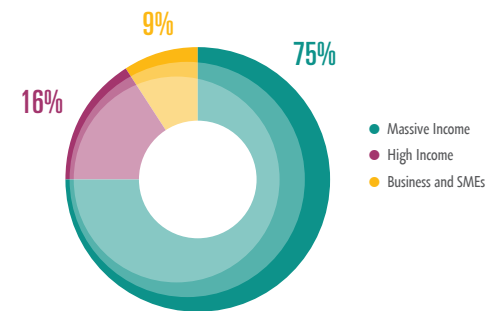
102-2, 102-6, 103-2, 103-3,  
ODS 1.4, 8.3, 8.10, 10.2, 16.3

INDIVIDUALS		COMPANIES				
BANCO GALICIA		BANCO GALICIA				
<p><b>MASSIVE INCOME</b> Medium- and low-income individuals who use the Bank's products and services for personal purposes.</p> <p><b>HIGH INCOME AND PRIVATE BANKING</b> Higher-income individuals who enjoy a special service model, where priority is given to direct and dedicated contact and special products and benefits.</p> <p><b>BUSINESS AND SMES</b> Individuals engaged in commercial activities (Business and Professionals) and SMEs.</p>		<p><b>CORPORATIONS</b> Economic groups and/or multinational and/or national companies that list their shares. They carry out foreign trade transactions and are active players in the capital market.</p> <p><b>COMPANIES</b> Companies that use our short-, mid- and long-term financial services and our transactional services, and carry out foreign trade transactions.</p> <p><b>AGRICULTURAL SECTOR</b> Legal entities and individuals devoted to agricultural production and/or related activities.</p> <p><b>GOVERNMENT SECTOR</b> Municipal, provincial and national government entities.</p> <p>Through its financial area, the Bank provides services to insurance companies, mutual funds, financial institutions and multilateral agencies.</p>				
PRODUCTS AND SERVICES						
<p><b>Credit Cards</b> Banco Galicia and Tarjeta Naranja: Visa, Amex, Mastercard. Efectivo Sí: Visa and Mastercard. Tarjeta Nevada: Visa. Tarjeta Naranja, Tarjeta Nevada and La Anónima.</p>	<p><b>Personal Loans</b> Efectivo Sí, Tarjeta Naranja and Tarjeta Nevada. <b>Mortgage Loans</b> Banco Galicia</p>	<p><b>Personal Insurance for the Assets of Businesses and SMEs</b> Galicia Seguros</p>	<p><b>Investments</b> Time Deposits in Pesos and US Dollars, Securities and Shares, Purchase and Sale of Foreign Currency, and Mutual Funds (FIMA).</p>	<p><b>Financing and Training Granted to Companies</b> Banco Galicia</p>	<p><b>Agreements</b> Banco Galicia</p>	<p><b>Foreign Trade</b> Banco Galicia</p>
PROMOTIONS AND BENEFITS						

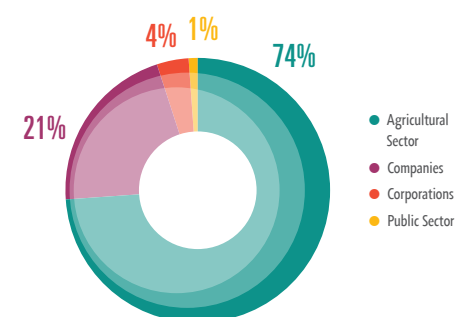
## NUMBER OF CUSTOMERS BY COMPANY<sup>17</sup>



## INDIVIDUAL CUSTOMERS BY THE BANK'S SEGMENT<sup>18</sup>



## CORPORATE CUSTOMERS BY EACH BANK'S SEGMENT

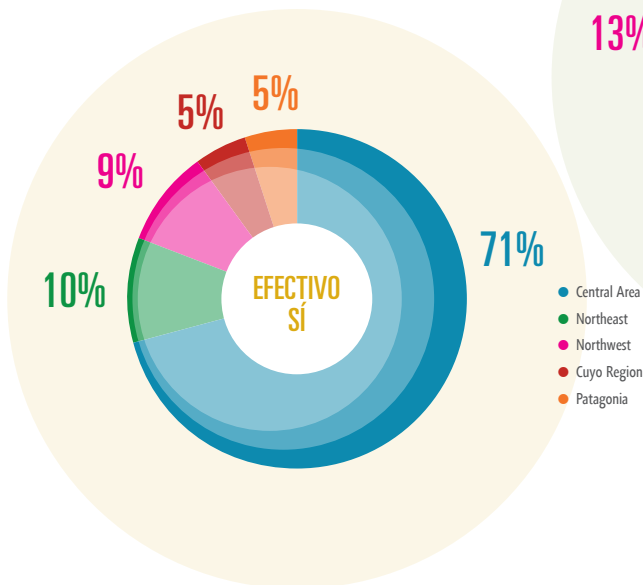
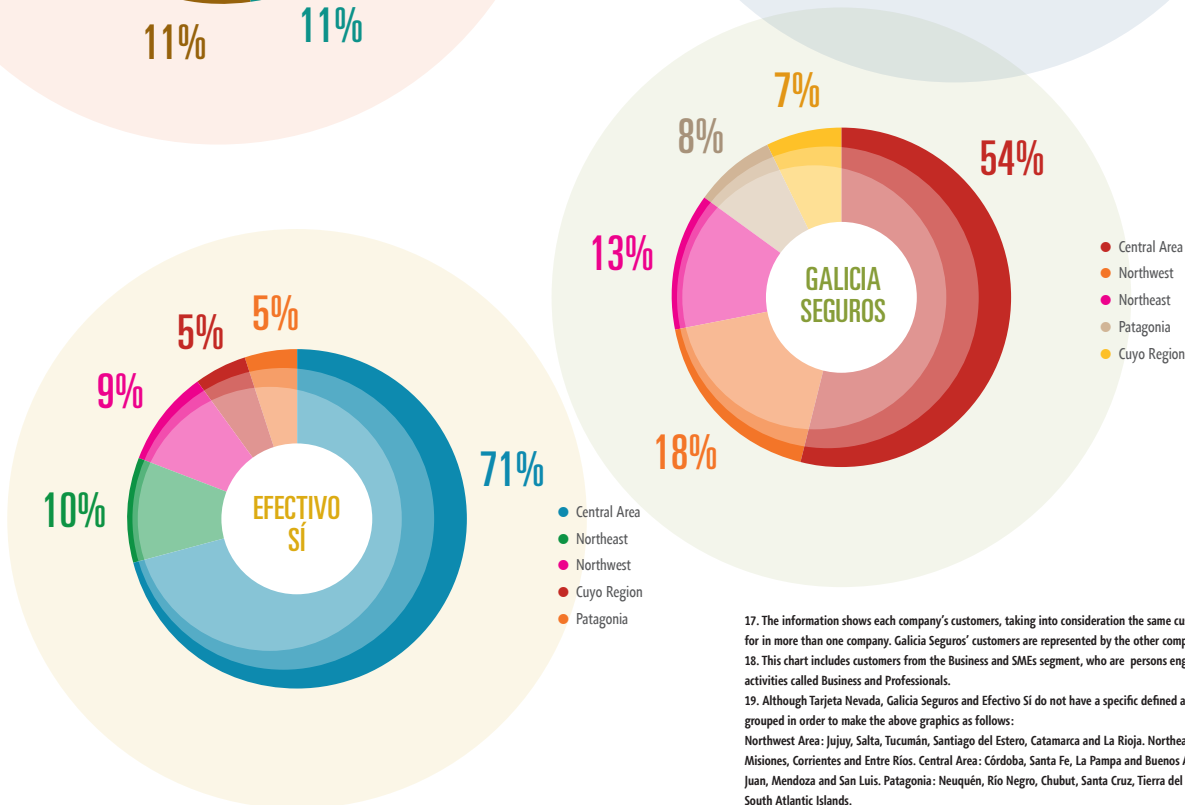
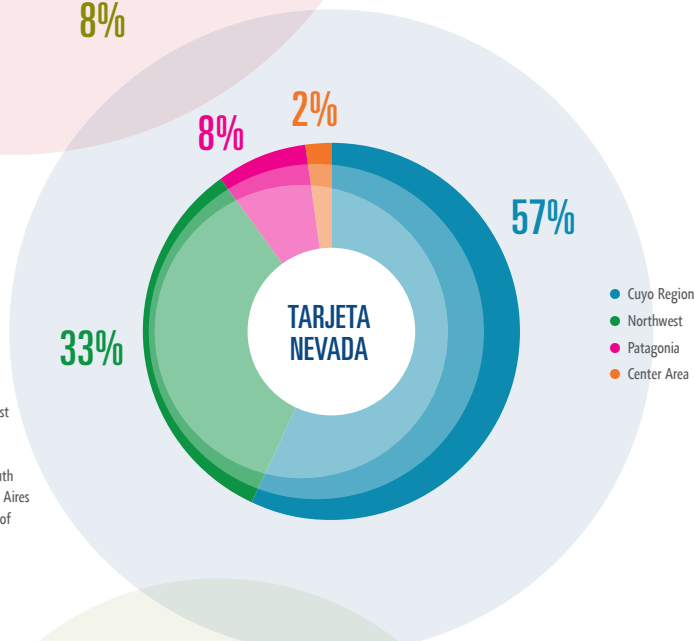
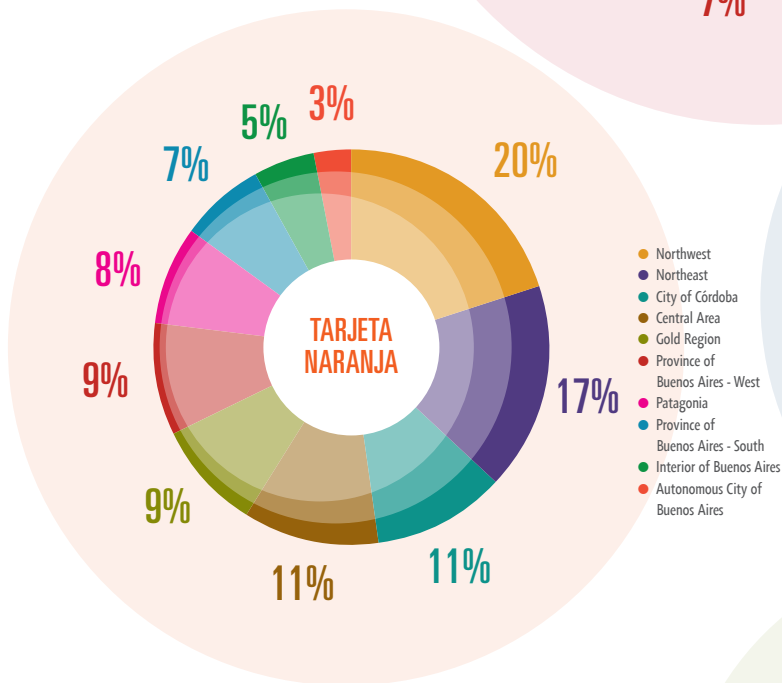
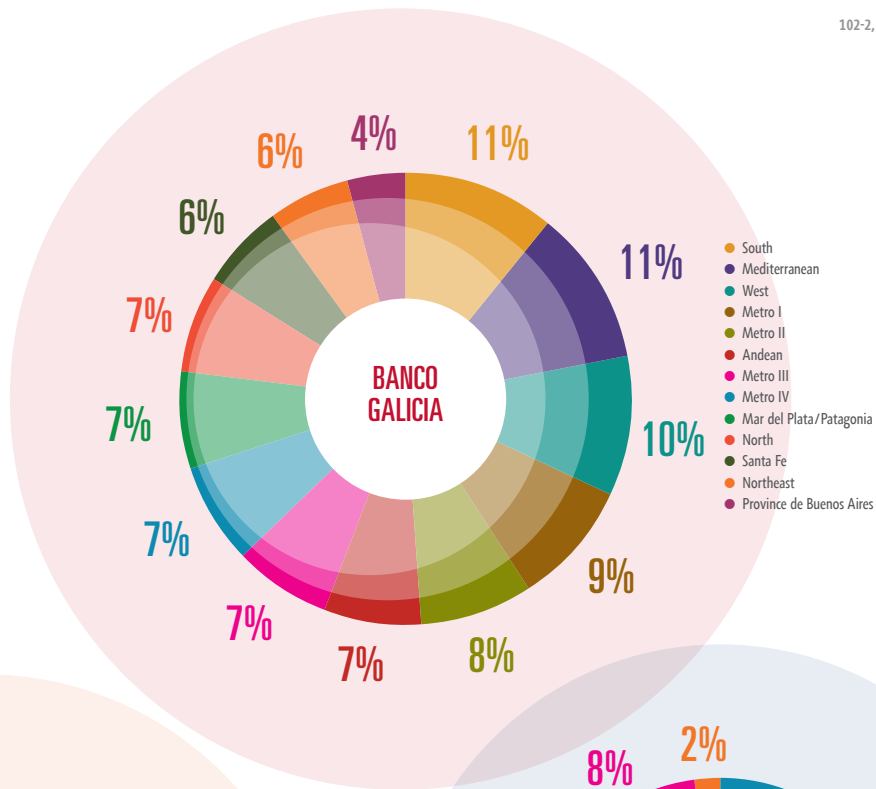


MULTICHANNEL MARKETING: CUSTOMER SERVICE AND COMMUNICATION WITH CUSTOMERS



FOCUS ON THE CUSTOMER'S EXPERIENCE AND SATISFACTION

Business Presence by Geographic Area<sup>19</sup>



17. The information shows each company's customers, taking into consideration the same customer can be accounted for in more than one company. Galicia Seguros' customers are represented by the other companies of the Group.

18. This chart includes customers from the Business and SMEs segment, who are persons engaged in commercial activities called Business and Professionals.

19. Although Tarjeta Nevada, Galicia Seguros and Efectivo Sí do not have a specific defined area by region, data were grouped in order to make the above graphics as follows:

Northwest Area: Jujuy, Salta, Tucumán, Santiago del Estero, Catamarca and La Rioja. Northeast Area: Formosa, Chaco, Misiones, Corrientes and Entre Ríos. Central Area: Córdoba, Santa Fe, La Pampa and Buenos Aires. Cuyo Region: San Juan, Mendoza and San Luis. Patagonia: Neuquén, Río Negro, Chubut, Santa Cruz, Tierra del Fuego, Antártica and South Atlantic Islands.

## THE VALUE OF THE CUSTOMER'S EXPERIENCE

102-43



**OSCAR**  
SME CUSTOMER  
BRANCH 348  
TRELEW

THE BRANCH'S MANAGER, OFFICERS AND CASHIERS ARE INTERESTED IN AND CONCERNED WITH MEETING THE CUSTOMER'S NEEDS. THEY HAVE ALWAYS SATISFIED MY NEED.



**DALILA**  
EMPLOYEE, BRANCH 66  
JARDÍN BOTÁNICO, AUTONOMOUS CITY  
OF BUENOS AIRES

I AM SERVED PROMPTLY AT THE BRANCH AND ALWAYS WITH A SMILE. ONLINE BANKING IS INTUITIVE AND EASY TO OPERATE. I HOPE TO CONTINUE WITH THE SAME EXPERIENCE.



**DANIEL**  
SME CUSTOMER,  
BRANCH 31,  
BARILOCHE

IT IS THE BANK THAT HAS THE BEST DIGITAL PLATFORM, WHICH FACILITATES INTERNET OPERATIONS. IT IS NOTEWORTHY THAT THE BRANCH'S WHOLE TEAM ANSWERS MY INQUIRIES PROMPTLY.



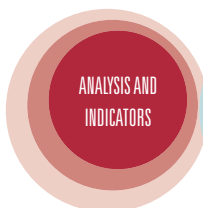
**LEANDRO**  
EMPLOYEE  
BRANCH 87  
HAEDO

IT IS A BANK THAT OFFERS PRODUCTS AND SERVICES TO UNIVERSITY STUDENTS. THEY ARE AN EXAMPLE AS A BANK INSTITUTION.



**MARCELO**  
BRANCH 39, EMPLOYEE  
BARRIO NORTE, AUTONOMOUS  
CITY OF BUENOS AIRES

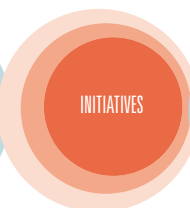
I HAVE BEEN THE BANK'S CUSTOMER FOR 20 YEARS AND I CONTINUE CHOOSING IT BECAUSE IT PROVIDES SAFETY, RELIABILITY AND THE CAPACITY SHOWN BY THE EMPLOYEES WHO I DEAL WITH AT THE BRANCH. THEY PROVIDE ME WITH ACCURATE INFORMATION AT THE APPROPRIATE TIME.



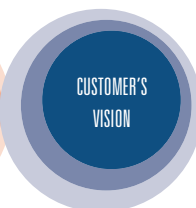
It measures the Bank's customer rates with reliable metrics, carries out market research and contributes information for decision-making.



It implements the NPS methodology throughout the Bank and takes the results, mainly the Customer's Voice for the ongoing process improvement.



It leads priority and cross-section projects to improve the Customer's Experience: end-to-end process, claims, comprehensive credit process and customer's journey mapping, and defines resources for the improvement to be sustainable.



It works on the customer-focused cultural changes, on critical processes within the employee's experience as our internal customer, and on the alignment and improvement of customer service processes focused on the customer's experience.

We want to be renowned for providing customers with a different experience by gaining deep knowledge of their financial needs and a motivated and close team of persons to thus become their main bank and so that they may refer us. Our proposal seeks to link us emotionally with them, offering a great service promise in critical processes. Accordingly, we define our purpose of being a bank on the mind and at the heart of people, and our service mainstays: reliable, simple, close and prompt.

During 2016, the challenge consisted in introducing the customer's experience as a focus on the organizational culture, focusing on the internal customer and three key HR management processes: selection where the best talent is sought to be attracted to provide the best experience, employees' training and development in Galicia's Way of Being, and a better performance to achieve being a Bank of Experience.

In relation to the external customer, work on the design and implementation of an ongoing improvement system is carried out, which allows identifying improvement opportunities proposed by customers and employees to later implement them.

150 IMPROVEMENT OPPORTUNITIES IDENTIFIED AT BANCO GALICIA

110 IMPROVEMENT OPPORTUNITIES IMPLEMENTED AT BANCO GALICIA



PROMOTERS

NEUTRAL

DETRACTORS

## NPS and Ongoing Improvement

Banco Galicia, Galicia Seguros, Tarjeta Nevada and Tarjeta Naranja use the Net Promoter Score (NPS) methodology, which seeks to know their customers' opinions through surveys. Based on your answers, an indicator is obtained, which is compared with companies in the market. This tool allows acting immediately in generating solutions.

Banco Galicia and Tarjeta Naranja lead the market in all segments.

At Banco Galicia 123,135 customers were surveyed this year, whereas Tarjeta Naranja listened to 75,981 customers and Galicia Seguros, to 24,148.

### NPS RESULTS AT COMPANIES

	Banco Galicia	Galicia Seguros	Tarjeta Naranja	Tarjeta Nevada
2015	27%	37%	68%	40%
2016	21%	58%	47% <sup>20</sup>	47%

## Complaint Management

**89%  
83%** COMPLIANCE WITH BANCO GALICIA'S PROMISED RESPONSE TIME

The customers' satisfaction is a priority for the Bank. The complaints and requests entering from any of the channels are managed by the Customer Solutions area: Branches, Customer Contact Center (CCC) or automatic channels.

	Banco Galicia	Galicia Seguros	Tarjeta Naranja	Tarjeta Nevada
Number of Complaints:	389,057	4,356	59,261	75,608
Average Complaint Resolution Time in Days	4.07	2.51	5.6	3

20.The change in sampling and the measurement channel implied a new NPS value (because it is more representative). Accordingly, September 2016 is the first month of NPS measurement and the result of the September/December 2016 measurement is the 2016 NPS value

## NARANJA AMONG THE BRANDS WITH THE MOST LOYAL CUSTOMERS

TARJETA NARANJA OCCUPIED THE SIXTH PLACE IN THE RANKING OF COMPANIES WITH THE MOST LOYAL CONSUMERS IN THE FIRST NATIONWIDE STUDY OF CUSTOMER'S EXPERIENCE CONDUCTED BY THE CONSULTING FIRM BAIN.



## Lean Methodology for Process Improvement

Since 2011, Banco Galicia has been applying the Lean methodology in order to improve internal processes and new areas are introduced every year to broaden its scope. In 2016, the Financial, Legal Affairs, Organizational Development and Human Resources areas were added to the Employment and Training departments, and the Systems area to the Technology department.

Tarjeta Naranja works on the sustainability of the Lean methodology through two initiatives: the design of a circuit for the Ongoing Improvement to flow at the organization, and management tools and spaces from area heads to directors.

Galicia Seguros started up the Lean project in all the operating areas, and Tarjeta Nevada was focused on changing the processes of requests and complaints, and response time and productivity. As a result of its implementation, there were improvements in the areas changed.



## CREDIT CARDS

AS MAIN CREDIT AND DEBIT CARD ISSUER IN ARGENTINA, WE, THE COMPANIES THAT ARE PART OF GRUPO FINANCIERO GALICIA, PROVIDE MILLIONS OF PERSONS WITH DIFFERENT FINANCING ALTERNATIVES. WITH PRESENCE THROUGHOUT THE COUNTRY AND BY MEANS OF PROPOSALS FOCUSED ON THE PARTICULAR CHARACTERISTICS OF EACH REGION, WE OFFER A WIDE RANGE OF PRODUCTS AND SERVICES THUS COVERING EACH CUSTOMER'S FINANCING NEEDS.

WE WILL CONTINUE WORKING TO ENHANCE AND BROADEN OUR OFFER SO THAT INCREASINGLY MORE PEOPLE MAY HAVE TOOLS THAT ALLOW THEM TO IMPROVE THEIR LIFE QUALITY.

### Banco Galicia

We give important benefits through 5,700 business agreements of different industries throughout the country.



National and international cards aimed at customers from the massive income segment, providing exclusive promotions and coverage against theft or loss, travel assistance, cash advance and protected price insurance.



Gold Cards: Offered to Prefer, and Business and Professionals customers, with all the benefits of classic cards plus Rented Card Insurance coverage.



Platinum and Black Cards: They offer distinctive services to high-income customers, such as the Personal Concierge personalized assistance service for all type of proceedings, both personal and professional ones, in addition to extended guarantee and ticket loss insurance and access to the VIP room at airports.



Business Card: Specially designed for small and medium-sized companies, with a broad range of services and benefits.



Corporate Card: Designed to satisfy the needs of large companies' representation activity.



Tarjeta Galicia Rural: The agricultural card market leader so that customers may finance the purchase of supplies, products and services for the farm.



Move Card: It allows young people to finance their purchases also using Quiero! (I Want!) and ¡Vamos los Jueves! (Let's Go on Thursdays!) benefit programs.

## Tarjeta Naranja

It is the main issuer of credit cards nationwide and is ranked as a leading brand in the interior of the country. In addition to the nationwide coverage, it offers an international coverage to its customers through Naranja Visa, MasterCard and American Express.



Classic and Gold Cards: They offer special benefits and promotions, such as Smartes and Zeta Plan, which allow customers to purchase and pay purchases choosing zero-interest one, two or three-installment plans. The Teen card, aimed at teenagers, operates as an additional card with a monthly purchase limit allocated by the cardholder.



These cards allow customers to access purchases all over the world and to use a broad network of ATMs for cash advances.

## Tarjeta Nevada



These cards offer a nationwide coverage with convenient financing plans and an international coverage with Nevada Visa and Nevada Visa Gold cards.

## Efectivo Sí



Customers may opt for Visa Efectivo Sí card or MasterCard Efectivo Sí card to make purchases within the country, make cash advances and enjoy benefits and promotions.

The International Visa credit card is offered to customers and non-customers of Efectivo Sí who have a market credit history and a good payment behavior.

CREDIT CARDS <sup>21</sup>	2016
<b>BANCO GALICIA</b>	
Visa	2,316,957
- Gold	473,756
- Internacional	1,204,446
- National	46,271
- Business	111,306
- Corporate	3,262
- Platinum	317,361
- Black Signature	160,555
Galicia Rural	17,846
MasterCard	485,650
- Gold	134,501
- MasterCard	263,597
- Platinum	49,967
- Black	37,311
American Express	1,118,794
- Gold	311,942
- Internacional	445,400
- Platinum	257,589
- Black	103,863
<b>REGIONAL CREDIT CARD COMPANIES</b>	<b>10,459,445</b>
- Visa	4,452,617
- MasterCard	702,687
- American Express	55,141
- Regional Brands <sup>22</sup>	5,249,000
<b>COMPAÑÍA FINANCIERA ARGENTINA</b>	<b>176,061</b>
- Visa	163,763
- MasterCard	12,298
<b>Total Number of Cards</b>	<b>14,574,479</b>
<b>Total Amount of Purchases (in Millions of Pesos)</b>	<b>223,973</b>

21. It corresponds to Tarjeta Naranja S.A., Tarjetas Cuyanas S.A. and La Anónima.  
22. Only authorized credit cards are considered.

## Personal and Mortgage Loans

**+13,000** MILLION PESOS IN  
LOANS GRANTED

Banco Galicia offers loans according to each customer's income and profile, intended to satisfy the needs of housing, personal and working capital assets.

Based on digital banking and cutting-edge tools, the Bank focused on alternative channels to offer its loans, especially Online Banking, which grew by 22% in the amount placed in loans. It implemented the Una Cuota Menos (One Installment Less) action for each year of the loan's life for all Éminent, Prefer and Classic customers. Additionally, it continued promoting the Productive Line and a special line for those customers who joined the Tax Amnesty.

Tarjeta Naranja increased the number of installments of personal loans up to 36 and began working on the development of loans with bank account deposits. Tarjeta Nevada doubled the number of loans granted in one year due to the increase in the number of installments offered and the elimination of the restriction of having the last payment statement. In addition, it launched new channels of loans via Internet and the Call Center.

Efectivo Sí offers primary loans and cash advances. This year massive campaigns were carried out for different customer profiles and it broadened the offer of cash loans for people registered with the single tax system for small taxpayers.

### NEW MORTGAGE LOANS

DURING 2016, 139 UVA23 MORTGAGE LOANS WERE GRANTED AT A FIXED 4.8% RATE, WITH A MAXIMUM 180-MONTH TERM AND A MAXIMUM AMOUNT TO BE FINANCED OF 2 MILLION PESOS. MOREOVER, THE BANK JOINED ANSES'S PROCREAR PROGRAM TO ACQUIRE OWN HOUSES ACCORDING TO A SYSTEM OF COOPERATION BETWEEN THE GOVERNMENT AND THE BANKS.





## Individual and Corporate Insurance

**4,907,668** CURRENT POLICIES

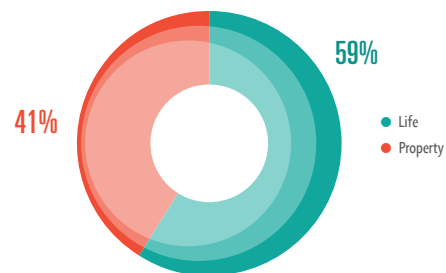
The Group's companies have a broad array of insurance products to provide support to customers in the face of different personal and property contingencies.

Banco Galicia, Tarjeta Naranja and Tarjeta Nevada offer products sold mainly through Galicia Seguros on: Home Insurance, Automobile Insurance, Galicia Comprehensive Protection, Office Package Insurance, Personal Accident Insurance and Life Insurance.

In turn, Galicia Seguros\*<sup>23 24</sup> offers property insurance policies for all operational risks for companies and SMEs, transportation of goods, automobile fleets and machinery, surety, protection for companies' chairmen and senior executives against claims from former employees, shareholders, control bodies or third parties. It also offers comprehensive insurance coverage against fire, theft and civil liability, and a complete agricultural insurance program.

Both Tarjeta Nevada and Tarjeta Naranja provide, together with leading companies, the protected sale insurance, a solution that covers purchases against theft or accident. This year Tarjeta Naranja launched the Lease Security insurance, which allows customers to have a guarantor when they need it.

### DISTRIBUTION BY TYPE OF POLICY



### INSURANCE ADVISORS COME

IN ORDER TO STRENGTHEN OFFICERS' BUSINESS SKILLS, THE INSURANCE ADVISOR'S ROLE WAS CREATED THIS YEAR: AN SPECIALIST OF GALICIA SEGUROS WHO VISITS BANCO GALICIA'S BRANCHES, TRAINING AND ANSWERING INQUIRIES ABOUT PRODUCTS TO HELP EMPLOYEES ACQUIRE SALES SKILLS AND MAKE THE ATTAINMENT OF GOALS EASIER THROUGH THE INSURANCE DIALOGUE IN ALL CONTACTS MADE.

23. In September, the Argentine Central Bank (BCRA) decided to change the UVI name that indexed the capital by the construction cost rate to UVA (unidad de valor adquisitivo), where the capital was indexed by the CER without changing any commercial characteristic.

24. In 2016, the regulation regarding the debit balance changed. This means that insurance may not be collected any longer on the debt balance of credit cards, which has an impact on insurance companies. Therefore, Galicia Seguros concentrated its effort on broadening the offer of products.



## FINANCING AND TRAINING AS GROWTH ENGINES

### Business and SMEs

Banco Galicia fosters the growth of stores, professionals and small and medium-sized companies that currently represent the economic engine of our country. This year it offered new special credit lines, with differential conditions and preferential rates. Among them we can mention the following:

- BICE Belgrano Productivo productive line, with a special subsidy for the Argentine Northwest provinces.
- Chain loans, which may be used at different value chain stages and give specific benefits for their activities.
- Flex loan, a new proposal to finance working and investment capital with a grace period of the first three months.
- Rate subsidy of 8%, along with the Ministry of Production of Santa Fe, to apply to capital assets and investment projects in the province.
- Regional economies program (PROCER), which grants financing to the investment projects in the extra-Pampas region and underpin the development of regional economies.

- Credit programs between the Inter-American Development Bank and the provinces with credit lines to finance the development of long-term investment projects of SMEs from all sectors. To promote the interaction with digital channels and the development of new technologies, the Office Express online platform was updated so that customers may operate the digital financial services more easily. In addition, a single exclusive service number was added for SMEs customers throughout the country, the toll-free 0810 line, for customers to have a direct contact with their officer.

In order to support the customers' growth and offer them interesting training, we continued organizing Good Businesses Meetings among entrepreneurs to create exchange spaces and find specific business opportunities. This year 4,487 people took part in the seven ones carried out in Mendoza, Córdoba, Autonomous City of Buenos Aires, Paraná, Tucumán, Mar del Plata and Resistencia.

For the development of the contents of meetings, alliances were made with different specialists in SMEs.

**BUENOSNEGOCIOS.COM**

**+36,000** USERS

**4,000,000** FROM ARGENTINA AND OTHER COUNTRIES

**+18,000** REGISTERED COMPANIES

BANCO GALICIA HAS AN ONLINE PLATFORM FOR THE COMMUNITY OF SMES AND ENTREPRENEURS, WHICH ALLOWS SHARING EXPERIENCES, DEVELOPING BUSINESS RELATIONSHIPS, ACCESSING TRAINING NOTES AND INFORMATION ABOUT EVENTS, AMONG OTHER BENEFITS. THIS PLATFORM IS AVAILABLE FOR ARGENTINA AND OTHER COUNTRIES.



Access to Sinteplast's Operations Center

## Companies

We reached over 96,000 companies across the country, offering different credit lines to finance from working capital with products for each need to medium and long-term investment projects, which are special for each segment.

In 2016, 57,008 million pesos were placed in productive lines. Among the main agreements, it is noteworthy the Global agreement with BICE (Banco de Inversión y Comercio Exterior) (Bank for Investment and Foreign Trade), as well as BICE Belgrano Productivo, the Credit Programs between the Inter-American Development Bank and the provinces, the BICE – Galicia Credit Line, the San Juan Quality Financing Program (Green Credit Line), Fondefin Sector Financing, the Regional Economies Program (PROCER), Agreement on the Rate Subsidy of the Province of Santa Fe and the Credit Line with Instituto Nacional de la Yerba Mate (National Institute of the Yerba Mate - INYM).

## Foreign Trade

By means of an electronic platform specialized in Foreign Trade, Banco Galicia provides fast and secured tools to operate. Updated forms and documentation, news and information about foreign exchange regulations may be seen in this online community. Also, it has commercial officers for exclusive advice on this type of operations.

FINANCING GRANTED TO COMPANIES BY TYPE OF ACTIVITY (IN MILLIONS OF PESOS)	2015	2016
Agricultural Sector	11,341	11,916
Trade	8,721	13,126
Construction	1,034	1,177
Manufacturing Industry	12,997	20,134
Services	6,261	8,845
Fishing, Forestry and Mining	1,956	1,810
Total Loans to Companies	42,310	57,008

## ENDEAVOR

BANCO GALICIA WAS THE SPONSOR OF ENDEAVOR EXPERIENCES DEVELOPED IN TRELEW, MENDOZA, TUCUMÁN, ROSARIO, BUENOS AIRES, CÓRDOBA AND MAR DEL PLATA, WHERE MORE THAN 11,000 CUSTOMERS TOOK ADVANTAGE OF THE FULL DAY OF ACADEMIC CONTENTS, NETWORKING AND PRESENTATIONS OF ENTREPRENEURIAL BUSINESSMEN.



## Agricultural Sector

**+6,576** MILLION PESOS IN SALES VOLUME  
WITH TARJETA GALICIA RURAL (TGR)

**11,463** STORES SUBSCRIBED TO TGR

Banco Galicia supports the agricultural sector through a series of products and services specific for customers whose commercial activity is the agricultural production.

Its main product is Tarjeta Galicia Rural (TGR), a credit card designed for the purchase and financing of supplies, seeds, agrochemicals, fuel, cattle, machinery and services for the rural sector, widely covering its agricultural or livestock productive cycle.

Furthermore, this year it developed loans denominated in US Dollars to finance agricultural supplies, which are combined with the TGR, allowing more effective financing processes between producers and suppliers.

Through agreements with players of the Agro-industry chain, Banco Galicia continued extending the agreements for the financing of supplies both through the TGR and the financing of loans in US Dollars to harvesting. This benefit allows customers to adjust payments to their productive cycle.

In relation to the long-term financing, the Bank has agreements with the main business brands to finance agricultural machinery, of which Leasing Galicia and the long-term loans either in Pesos or US Dollars stand out.

### AGRICULTURE AND LIVESTOCK EXCELLENCE AWARD

THE 11TH PRIZE AWARD TOOK PLACE, JOINTLY WITH LA NACIÓN NEWSPAPER, WITH MORE THAN 200 WORKS PRESENTED FOR 16 CATEGORIES. IT IS NOTEWORTHY THAT THE EMPHASIS IS PLACED ON INNOVATION AND THE WAY OF INTEGRATION WITHIN THE VALUE CHAIN. THE WINNER WAS PUERTO LAS PALMAS, A RICE PRODUCTION COMPANY THAT WAS PART, THROUGH THE ROTATION OF ITS RICE FIELDS, OF THE PACÚ PRODUCTION.



## Agreements

102-13

Through different agreements, strategic alliances are made with providers of goods and services, support is provided to agriculture and livestock organizations and affinity groups are developed with local rural societies and representative entities in the sector with visits, training sessions and business actions that help foster the activities they carry out.

### **Agreement with AACREA (Argentine Association of Agricultural Experimentation Regional Consortiums):**

It supported the development of Líderes and Educrea programs, whose goals are to strengthen the social framework and to promote access to higher education.

### **Agreement with AAPRESID (Argentine Association of No-till Farming):**

The Bank made contributions to Aula AAPRESID program, which main purpose is to spread a sustainable agricultural production model based on the appropriate application of the No-till Seeding system and Good Agricultural Practices, as well as on the application of biotechnology.

### **Agreement with Producir Conservando Foundation:**

The Bank is founding partner and supports the spreading of sustainable techniques for production.

### **Agreement with CRA (Argentine Rural Confederation):**

The Bank is in contact with over 240 local rural societies and representative entities in the sector. In addition, the Bank provides training, business actions and lectures on the current economic situation.

### **Agreement with SRA (Argentine Rural Society):**

The Bank has been providing its partners and the institution with benefits for 10 years by virtue of the agreement.

**Cattle Producer Agreements:** This year the Aberdeen Angus, Hereford, Braford and Angus associations joined to grant benefits on the Bank's products.

## Financing to Sustainable Investment Projects

In alliance with international entities, multilateral and development banks, Banco Galicia offers financing to investment projects of great scope. The new agreement with the International Finance Corporation (IFC) amounting to 130 million US Dollars should be mentioned among them to provide financial aid to corporate customers through a 60-month credit line for investment projects and another 84-month credit line for Renewable Energies projects (photovoltaic, wind and biomass/gas). This credit line allows providing assistance to projects for up to an amount of 15 million US Dollars, which have a maximum generation capacity of 30 megawatts. It also finances energy efficiency projects and Green Buildings.

Moreover, the Bank has the BICE (Banco de Inversión y Comercio Exterior, Bank for Investment and Foreign Trade) - Galicia credit line, which finances the acquisition of capital assets or investment projects with medium and long-term social impact, the San Juan Quality Financing Program (Green Credit Line), thought for drip irrigation systems, considering the sustainability of each activity, and the credit line with Instituto Nacional de la Yerba Mate (National Institute of the Yerba Mate - INYM).



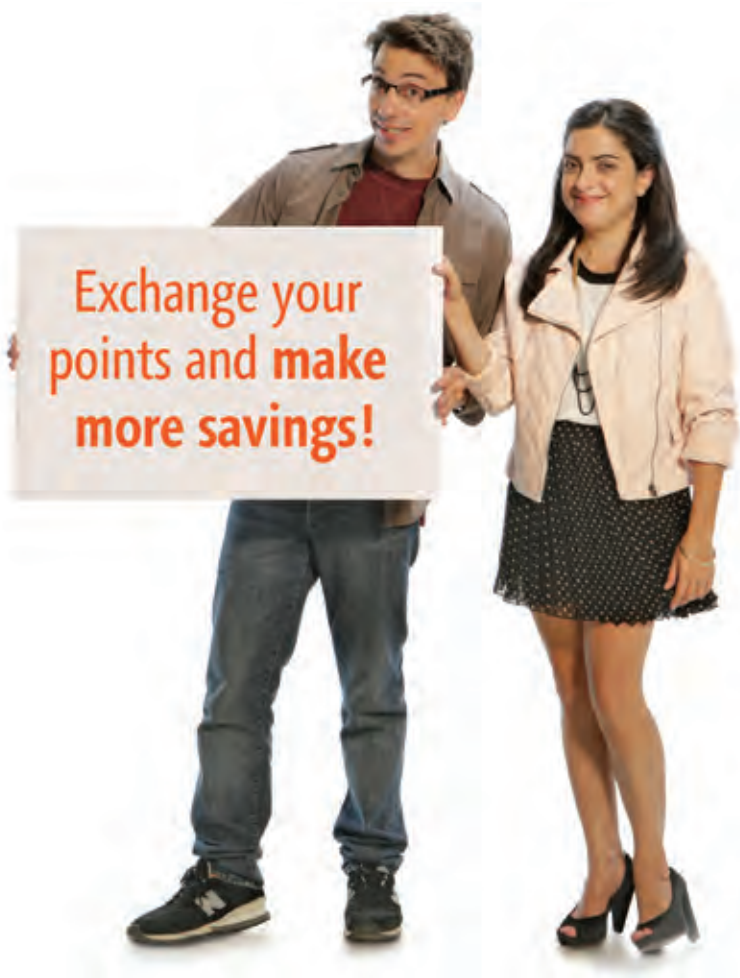
## PROMOTIONS AND BENEFITS THAT MAKE DREAMS COME TRUE

OUR COMPANIES SEEK TO BROADEN EACH YEAR THE BENEFITS TO THEIR CUSTOMERS WITH SPECIAL PROMOTIONS ON INDUSTRIES OF THEIR INTEREST AND ACCORDING TO THEIR NEEDS.

We continue providing promotions of brands and industries valued by our customers through agreements with different companies and stores throughout the country. They include Banco Galicia's ¡Vamos los jueves! (Let's Go on Thursdays!) and Quiero! (I Want!) programs, Tarjeta Naranja's Smartes with discounts on Tuesdays and on special dates, and additional promotions to customers who have been cardholders for more than 10 years, and Tarjeta Nevada's Shopping on Mondays campaign, which gives discounts and interest-free installments.



37,833	CUSTOMERS WHO USED THE BENEFIT SHOPPING ON MONDAYS (NEVADA)
290,034	TRANSACTIONS PERFORMED UNDER THE SMARTES PROGRAM (NARANJA)
911,582	TRANSACTIONS PERFORMED UNDER THE VAMOS LOS JUEVES PROGRAM (GALICIA)



**YOU HAVE MORE THAN 600 OPTIONS FOR EXCHANGING YOUR POINTS.**

Log in on [quiero.com.ar](http://quiero.com.ar)

## Quiero! (I Want!) Benefits Program

**+960,000** PEOPLE REGISTERED WITH QUIERO

**+399,000** EXCHANGES DURING THE YEAR

**+43,000** CUSTOMERS WHO HAVE TRAVELLED WITH QUIERO POINTS

Banco Galicia offers customers to use points accumulated for conducting transactions with the Bank's products, being free to choose discounts according to consumers' preferences. This year the program maximized its catalog of benefits, with more than 1,100 proposals of savings through points exchanged. Also, customers reach benefits as from 165 points, becoming a universal program. With the Quiero Viajes option, our customers can pay for hotel accommodation, tourist packages and all related services at national and international level. This year the available destinations increased, with the possibility of exchanging points directly for tickets, managing to be the most competitive proposal of miles/points in the market.

### Benefits, Campaigns and Promotions

The Verano Sabor Naranja (Naranja-flavored Summer) campaign invited free shows in Mar del Plata and Carlos Paz, completing its proposal with

discounts and special financing plans at the main tourist centers in the country. Furthermore, Benefits by industry were implemented, with discounts on selected industries, such as hairdressers and restaurants.

### Entre Amigas (Among Friends) Program:

**10,596** CUSTOMERS WHO USE THE BENEFIT

Tarjeta Nevada continues with the Entre Amigas (Among Friends) program to give more benefits and exclusive promotions for women in order to be ranked as a program of permanent benefits on important dates. This reaches a total of 10,572 transactions performed.

### NARANJA'S SHORT MOVIE

UNDER THE CONCEPT "NAVIDAD ES HACER ALGO POR LOS QUE QUERÉS" (CHRISTMAS IS DOING SOMETHING FOR THOSE YOU LOVE), NARANJA ADDRESSED A DIFFERENT PROPOSAL FOR CHRISTMAS HOLIDAYS TO GIVE PRIORITY TO HUMAN RELATIONS AND EMOTIONAL TIES. "DICIEMBRE" (DECEMBER) IS THE SHORT MOVIE'S TITLE, INSPIRED ON THE COMPANY'S VALUES THAT TELL THE STORY OF A TRIP AND A GREAT SURPRISE AT THE END.

**Entre Amigas**

**BE PART!**

Now register on Tarjeta Nevada's  and enjoy quite a lot of benefits!

## MULTICHANNEL MARKETING

102-43

WE PERMANENTLY SEEK TO EVOLVE AND INNOVATE IN THE WAY WE COMMUNICATE EACH OTHER. WE DESIGN COMMUNICATION, CUSTOMER SERVICE AND DIALOGUE TOOLS, LISTENING TO AND ADAPTING TO THE PARTICULAR NEEDS OF EACH CUSTOMER'S PROFILE, WITH THE POSSIBILITY OF PROVIDING MORE POSITIVE EXPERIENCES WITH CUTTING-EDGE TECHNOLOGY AND BASED ON A DIGITAL BANKING.



### Communication and Customer Service Channels

We base on new technologies and promote innovation spaces to achieve a multichannel communication and customer service environment, where, in addition to the traditional channels, our focus is placed on digital tools that allow us to provide personalized customer services and answer each customer's particular questions and inquiries. Banco Galicia renewed 11 branches with dynamic and flexible spaces, which may be adapted to customers' new and changing needs and expectations.

Apart from the dedicated service at each branch of the Group's companies, its main service channels are the free telephone assistance lines and e-mail of each company, managed from the Customer Contact Centers (CCC), the corporate pages and social networks.

Tarjeta Naranja's stores were also modernized to achieve a clearer and more direct communication. In 2016, the Quality with Warmth plan was implemented at Naranja's branches: an invitation to our customers to live and share the best experiences, with monthly proposals of celebrations, games, contests and activities of social and environmental value.

### HACKATÓN GALICIA

AT THE FIRST MEETING ORGANIZED BY BANCO GALICIA, 20 TEAMS MADE UP OF STUDENTS, GRADUATES AND ENTREPRENEURS, AFTER UNINTERRUPTED 48 HOURS OF WORK, PRESENTED THEIR SOLUTIONS BEFORE A JURY OF RENOWNED ARGENTINE ENTREPRENEURS, GALICIA'S BUSINESSMEN AND LEADERS. THE WINNING PROJECT WAS A PLATFORM THAT UNDERSTANDS THE CUSTOMER'S REQUEST AND CHANGES IT INTO INSTRUCTIONS FOR THE SYSTEMS.



### A PUBLICATION FOR THE WHOLE FAMILY

OUR TARJETA NARANJA, TARJETA NEVADA AND EFECTIVO SÍ COMPANIES ISSUE A MONTHLY PUBLICATION CUSTOMERS CAN PURCHASE THROUGH A SUBSCRIPTION AND RECEIVE AT THEIR HOME. THEY MAY THUS BE INFORMED ABOUT EACH COMPANY'S PROMOTIONS, NEW PRODUCTS AND SERVICES AND ABOUT INTERESTING ISSUES. ADDITIONALLY, IT IS A CHANNEL WHERE OUR CUSTOMERS MAY SEND SUGGESTIONS, OPINIONS AND INQUIRIES.

625,000 MONTHLY ISSUES OF TARJETA NARANJA'S CONVIVIMOS MAGAZINE

383,915 MONTHLY ISSUES OF TARJETA NEVADA'S CIMA MAGAZINE

41,790 MONTHLY ISSUES OF EFECTIVO SÍ'S AHORA MÁS MAGAZINE



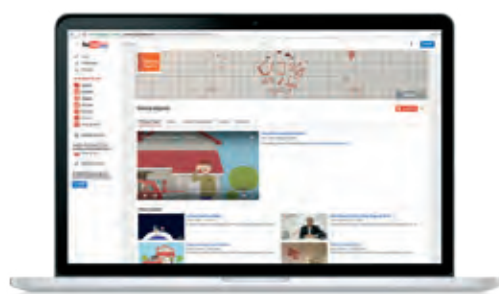
## Focus Placed on Digital Technology

Under the framework of its innovation program and in order to continue building a different experience being closer to customers, Banco Galicia works from the Digital Department Division on strengthening digital channels to facilitate operations and contact with customers, generating a digital ecosystem with new trends and innovative solutions in the fintech area.



### GALICIA'S DIGITAL CHANNELS

During 2016, its efforts were focused on the full redesign and technological update of Online Banking, a channel that reached 1,159,141 customers and Ps. 15,355,654 in transactions. The share of personal loans increased from 17.5% to 40.76%; time deposits, from 42% to 48.16% and the foreign currency trading, from 69% to 73.94% in a year.



### NEW YOUTUBE CHANNEL FOR GALICIA SEGUROS

In order to make the contents of the policy and the steps to be followed to carry out proceedings more friendly, a YouTube channel was opened at Galicia Seguros, with educational videos, with audiovisual information and more readable and less technical explanations about the details of the coverage, and important advice upon acting in the face of a loss.



### MOBILE TECHNOLOGY

Banco Galicia redesigned its app with the view placed on the importance of contents and how easy is to find what customers look for on digital channels, transparently, safely and promptly while operating. In 2016, this service was used by more than 244,000 customers of several ages and profiles.

Tarjeta Naranja also has Naranja service on your cellular phone.

These channels allow receiving text messaging with information about operations, purchases made, due dates, payments made, withdrawals, transfer notices and balance queries.

### MY FINGERPRINT PROGRAM

As part of the Anses's program, Banco Galicia and Efectivo Sí have installed totem equipment at branches and digital fingerprint readers for the enrollment of retired people and pensioners. The Bank has 72 equipment and 92 readers. This registration mechanism was also introduced as a mechanism to validate the agreements of the Historical Repair Program, which reaches 2.4 million people.



### FINANCIAL EDUCATION AND AWARENESS

During 2016, Banco Galicia launched a new Instagram channel exclusively dedicated to the MOVE segment to communicate with the Bank and know all the products and benefits available for younger people. This year financial education and sustainability messages increased.

Tarjeta Naranja fosters the financial education of cardholders and merchants to teach about the responsible use of credit and the information security through digital communication channels.



### NARANJA ONLINE: TARJETA NARANJA'S VIRTUAL BRANCH

Through Naranja Online, customers operate and transact as if they were at the branch. This year a double identity validation was made for further security in transactions. In addition, Naranja Online's activity increased by 53%.

With a total of 455,000 subscribed merchants and 241,503,286 million of Pesos sold, through Naranja Store, an e-commerce site, customers may follow up their orders online.

### @GALICIASUSTENTABLE (@SUSTAINABLE GALICIA)

Banco Galicia consolidated its presence on networks and increased by 11% interactions with the community of Facebook users and 16% the number of fans, as compared to 2015. In Twitter, the community of followers grew by 13% and interactions by 147%, as compared to the prior year. The presence on networks included the creation of 13 videos, which were published through its digital channels and an exclusive reproduction list on YouTube.



## ACCESSIBILITY IN BRANCH OFFICES

103-2, 103-3, ODS 1.4, 8.10, 10.2, 16.3

We have undertaken the commitment that our premises are comfortable enough so that all persons may enter, walk around and stay in our customer service areas comfortably, securely and independently.

## DOCUMENTATION IN BRAILLE

WE HAVE UNDERTAKEN THE COMMITMENT THAT OUR PREMISES ARE COMFORTABLE ENOUGH SO THAT ALL PERSONS MAY ENTER, WALK AROUND AND STAY IN OUR CUSTOMER SERVICE AREAS COMFORTABLY, SECURELY AND INDEPENDENTLY.



ACCESSIBILITY CRITERIA	BANCO GALICIA		TARJETA NARANJA		TARJETA NEVADA		EFECTIVO SÍ	
	2015	2016	2015	2016	2015	2016	2015	2016
Branches with Ramps	251	187	142	137	30	30	11	11
Percentage of Branches with Ramps with Regard to Total Number of Branches	96% <sup>25</sup>	67% <sup>25</sup>	87%	87%	59% <sup>25</sup>	58% <sup>25</sup>	12%	12%
Branches with Elevators for Disabled People	53	49	1	1	Not applicable	Not applicable	1	1
Percentage of Branches with Elevators for Disabled People with Regard to Total Number of Branches	20% <sup>25</sup>	18% <sup>25</sup>	0.61% <sup>25</sup>	0.48% <sup>25</sup>	Not applicable	Not applicable	1%	1%
Branches with Special Bathrooms	146	166	80	80	7	3	19	19
Percentage of Branches with Special Bathrooms with Regard to Total Number of Branches	56%	60%	49%	51%	14%	2%	20%	20%



## CUSTOMERS' SECURITY<sup>26</sup>

102-12, 102-13, 102-16, 103-2, 103-3, 416-1, 417-1, ODS 12.8, 16.3

IT IS OUR DUTY TO PROTECT THE INTEGRITY, AVAILABILITY AND CONFIDENTIALITY OF THE INFORMATION WE DEAL WITH AT ALL THE GROUP'S COMPANIES, REGARDLESS OF THE MEANS IT IS: DIGITAL, PRINTED OR KNOWN BY PEOPLE. TO ACHIEVE SO, WE WORK UNDER SAFE ENVIRONMENTS, COMPLYING WITH THE REGULATIONS GOVERNING US AND ALIGNING US WITH THE GOOD PRACTICES OF THE FINANCIAL SECTOR FOCUSED ON ONGOING CONTROLS, IN-HOUSE TRAINING COURSES AND ACCESS AUTHENTICATION.

- Banco Galicia adheres to the Code of Banking Practices to reinforce the rights of users of financial services and products, and to the Advertising Self-Regulation Code of Ethics (Código de ética de autorregulación publicitaria, CONARP), with the purpose of promoting responsible communication with its customers.
- The 270001 standard on information security is complied with at Galicia Seguros, Tarjeta Nevada and Tarjeta Naranja.
- Tarjeta Naranja complies with the BS ISO/IEC 27005 Standard on "Risk Management with regard to Information Security", which includes the implementation of a "Safety Awareness Plan".
- Efectivo Sí has an annual Training Plan for employees regarding the need to follow good safety practices. At "Aula Efectiva" (Effective Classroom), a training and awareness course on information security principles was offered.
- There is a special process for these situations under the charge of the Safety & Health Committee on seismic areas where Tarjeta Nevada operates.
- With regard to physical safety, branches have the regulations in force, which include oversight, ambulance services, hygiene controls, evacuation drills and mechanisms for the prevention of fire at all our points of contact with customers.

25. The rest of the branches do not need ramps or special elevators since the main entrance is at the ground level.

26. All branches have personal security processes, and all the operations have mechanisms to ensure the security in data management.

# 1

LISTED AMONG THE TOP COMPANIES TO WORK FOR THREE OF THE GRUPO FINANCIERO GALICIA'S COMPANIES CLIMBED UP IN THE GREAT PLACE TO WORK RANKING, ENDING UP LISTED AMONG THE TOP 5 POSITIONS: TARJETA NARANJA (2ND.), BANCO GALICIA (3RD.) AND GALICIA SEGUROS (5TH.), SHOWING A STRONG COMMITMENT TO ITS PEOPLE.



star  
me up

# 2

NEW INTERACTIVE AND SOCIAL APPLICATION  
BANCO GALICIA AND GALICIA SEGUROS' EMPLOYEES AWARDED MORE THAN 26,000 STARS OF RECOGNITION TO THEIR PEERS FOR LIVING UP TO CORPORATE VALUES.

# 3

RECRUITMENT ROAD TRIPS TO SEARCH FOR TALENT BANCO GALICIA ORGANIZED 8 MEETINGS IN DIFFERENT LOCATIONS WHERE 980 INTERVIEWS, TRAINING AND TALKS WERE CARRIED OUT, USING INNOVATIVE METHODS TO IDENTIFY THE CANDIDATES THAT BEST INTEGRATE INTO THE GALICIA CULTURE.



# 4

INNOVATION OPPORTUNITIES BANCO GALICIA AND TARJETA NARANJA ORGANIZED THE THIRD TEDX CONFERENCE IN CORDOBA TO INSPIRE 300 PARTICIPANTS ON TECHNOLOGY IDEAS. IN ADDITION, IT JOINED THE MOVEMENT TO LEARN FROM MISTAKES BY SHARING 4 CASES OF FAILURE IN ONE DAY.



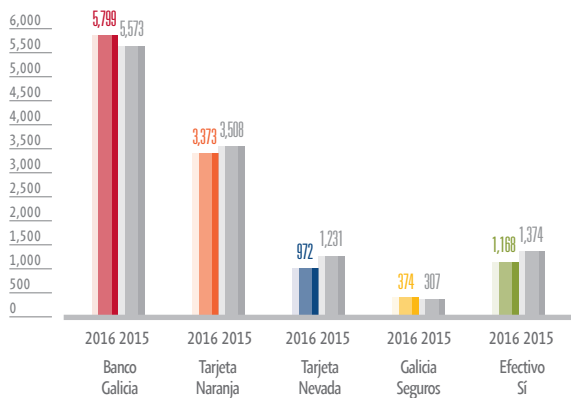
# EMPLOYEES



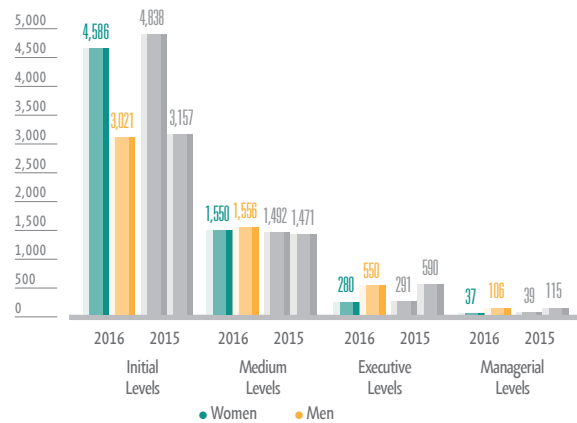
## OUR EMPLOYEES' PROFILE

102-8, 401-1, 405-1, ODS 8.5, 8.6

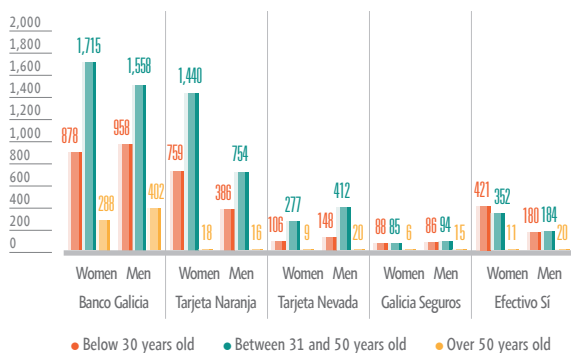
### DISTRIBUTION OF EMPLOYEES BY COMPANY



### DISTRIBUTION OF EMPLOYEES BY GENDER AND POSITION



### NUMBER OF EMPLOYEES BY AGE AND GENDER



### TURNOVER RATE<sup>27</sup>

	2015	2016
Below 30 Years Old	21%	20.89%
Between 31 and 50 Years Old	7%	6.85%
Over 50 Years Old	6%	5.57%
Headquarters	10%	10.15%
Points of Contact with Customers (Branches, Minibranches, Others)	14%	13.17%
Total Average Turnover	12%	11.90%

27. Calculation method: the turnover rate is calculated as an average of the number of employees recruited and those leaving the company over the total number of employees at the end of the reporting period.

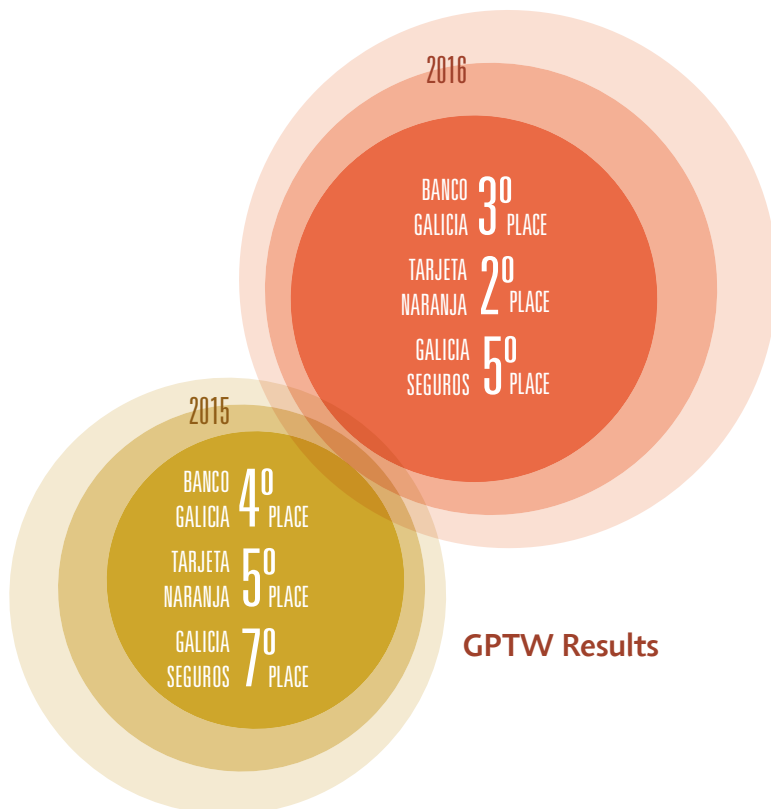


## WORK ENVIRONMENT MANAGEMENT

102-43, 103-2, 103-3, ODS 16.3

WE MANAGE THE INTERNAL ENVIRONMENT WITH THE AIM OF CREATING A GREAT EMPLOYEE EXPERIENCE, BY PURSUING INITIATIVES TO ENHANCE THE COMPANIES' VALUE PROPOSITION, FOCUSING ON SUSTAINABILITY, DEVELOPMENT AND INNOVATION

As part of the business environment management process, Banco Galicia, Tarjeta Naranja, Efectivo Sí, and Galicia Seguros conduct an annual employee survey done by the global consulting firm Great Place to Work (GPTW) to get employee feedback on the main issues of their working life based on 5 pillars: credibility, respect, fairness, pride and camaraderie. In 2016, 5,231 employees of Banco Galicia responded to the survey (93%); while in Tarjeta Naranja the number of respondents was 2,526 (75%); in Efectivo Sí, 1,130 (97%), and in Galicia Seguros, 337 (90%). Based on the survey results, we elaborated plans to address the most significant issues in order to consolidate strengths and work on improvement opportunities. By creating climates of confidence with enthusiastic people, we generate positive experiences both internally and externally, for all stakeholders.



GPTW Results



## SELECT AND WELCOME

103-2, 103-3, ODS 16.3

WE ACKNOWLEDGE THE PRACTICES THAT PAVE THE WAY FOR AN OPEN AND SMOOTH COMMUNICATION BETWEEN EMPLOYEES AND THEIR DIRECT MANAGERS, THE CAPACITY OF LEADERS TO COORDINATE AND DELEGATE TASKS AND THEIR ABILITY TO CONVEY THE COMPANY'S VISION WITH INTEGRITY.

Steps: Select and Welcome and Inspire.



## Recruitment processes

THE EMPLOYEE RECRUITMENT PROCESS CONSTITUTES THE FIRST STEP TO BUILD FIDELITY AND COMMUNICATE THE GROUP COMPANIES' CULTURE. IDENTIFYING TALENT ALIGNED WITH THE CORPORATE VALUES IS KEY TO PROMOTE A CLIMATE OF CONFIDENCE THAT INSPIRES PEOPLE TO EAGERLY TAKE ON NEW CHALLENGES.

The companies have clear and transparent recruitment and selection mechanisms, which guarantee respect for diversity, human integrity and the privacy of information. Furthermore, we favor local hiring and the internal mobility of employees.

In this process, the focus is on identifying the candidate who already lives up to the corporate values in his daily life, so that he feels motivated at work, in a friendly environment that promotes innovation and self-assessment.

The companies use different recruitment tools with an emphasis on innovative techniques. For instance, Banco Galicia uses role-playing exercises, online tests and business situation simulators to help identify the required organizational competencies. In every company, interviews with area managers are combined with psychological and graphology tests that help determine the candidate's capacity to adapt to the Group companies' culture, among other things.

### Highly-valued References

Banco Galicia, Galicia Seguros and Tarjeta Naranja have implemented a program where employees refer candidates for different positions. The aim is to encourage referrals by employees who embrace the company culture and values. Banco Galicia has instituted a Talent Referral Program, whereby an employee is awarded Quiero! points if his/her candidate is successfully recruited. In turn, Galicia Seguros has an Employee Referral Reward Policy in place to reward employees that refer successful candidates with a money prize.

### Recruiting through Lean

Banco Galicia used the Lean methodology to analyze and redesign the recruitment process in 2016. Thus, new opportunities were introduced such as the digitalization of employee records, a visual management

dashboard that provided transparency and accelerated the response times to candidates, and a satisfaction survey for all participants, whether they get the position or not.

## Welcome Aboard

From the beginning the new employee is welcomed to the company, to provide support is key to a successful adaptation process. It is fundamental to help them acquire the culture and understand the main processes, systems, policies and regulations that govern our activity.

Banco Galicia and Efectivo Sí developed a guide to train leaders, detailing clearly and precisely the actions to follow when new employees join the company. This tool describes actions and suggests ways to communicate and relate to avoid creating extra work to their teams, and help the new employee feel comfortable in his or her first day.

In Galicia Seguros the induction program lasts 3 months with different stages, featuring on-site and online activities, including job insertion activities.



## Employees Recruiting 2.0

Grupo Financiero Galicias's companies rely on the social networks (Facebook, Twitter and LinkedIn) as an active recruitment strategy. In addition, Banco Galicia, Tarjeta Naranja and Tarjeta Nevada participate in traditional and virtual job fairs, promoting labor market insertion and opportunities to find the first job. Banco Galicia has 51 agreements in place with universities, actively working in the following programs: Young Professionals, Young Leaders, the Galicia Experience, and entry-level channel jobs<sup>28</sup>.

Banco Galicia communicates in social networks how it is to work at the Bank, describing the most interesting aspects for its target audiences, regardless of whether it is a specific or massive search.

### BANCO GALICIA PROMOTES YOUTH EMPLOYABILITY

#### EXPERIENCIA GALICIA (GALICIA EXPERIENCE)

6,906 CVS RECEIVED

96 YOUNG PEOPLE HIRED

The Galicia Experience program invites young university students from 19 to 23 years old to participate in a summer job practice at the Bank's branch network, under the Job Promotion Program.

### GALICIA ROADTRIP

6,795 CVS RECEIVED

980 INTERVIEWS DONE

8 MEETINGS

This year Banco Galicia organized massive recruitment events at different locations<sup>29</sup> nationwide to attract the best business talents. Through dynamic and innovative interviews, many candidates were hired to fill vacancies at different local branches during these events. Shortlisted candidates were able to demonstrate their skills using a business simulator where decisions must be taken as if they were in a real job situation.

28. Branches: Retail Sales Unit (UVM, as per its initials in Spanish) and Customer Contact Center (CCC, as per its initials in Spanish), etc.

29. Tandil, Junin, Resistencia, Northern area of GBA, City of Buenos Aires, Rosario, Neuquén and La Plata.



## Internal Job Postings

**641** JOB POSTINGS PUBLISHED

**2,448** APPLYING EMPLOYEES

**19.30%** BANCO GALICIA'S INTERNAL MOBILITY

Our commitment to employee development and promotion is evident in the use of internal mobility to cover open positions throughout the Group's companies. Participating in the recruitment process allows employees to develop different skills and identify improvement areas through the feedback received.

### COMPETITION FOR POSITIONS

TARJETA NARANJA HAS IMPLEMENTED A COMPETITION FOR POSITIONS AIMED AT INTERNAL JOB POSTINGS THAT INCLUDE A PROMOTION. CANDIDATES THAT MEET THE JOB REQUIREMENTS RECEIVE A SCORE AFTER SEVERAL RECRUITMENT STAGES, WHICH INCLUDE GROUP ACTIVITIES AND PROBLEM-SOLVING INSTANCES. THIS CONTRIBUTES TO THE TRANSPARENCY OF THE PROCESS AND ENCOURAGES CAREER DEVELOPMENT. IN TARJETA NEVADA, COMPETITIONS FOR POSITIONS ARE PUBLISHED ACROSS THE COMPANY, OUTLINING THE JOB DESCRIPTION. ANY EMPLOYEE WHO MEETS THE REQUIREMENT IS FREE TO APPLY. THIS PROCESS HELPS IDENTIFY THE MOST APPROPRIATE PROFILE, ENCOURAGING PERSONAL DEVELOPMENT, PROMOTING TRANSPARENCY AND TRUST, AND EVENTUALLY PRODUCING BETTER RESULTS

### OPORTUNIDADES GALICIA (GALICIA OPPORTUNITIES)

OPEN VACANCIES ARE POSTED ON THE GALICIA OPPORTUNITIES PORTAL, OUTLINING THE REQUIREMENTS THAT APPLICANTS MUST COMPLY WITH. THIS WAY, THE BANK OFFERS CAREER DEVELOPMENT AND INTERNAL MOBILITY OPPORTUNITIES. IF NO APPLICANT WITH A SUITABLE PROFILE IS FOUND, AN EXTERNAL SEARCH BEGINS.

## Labor Inclusion Initiatives

**56** PEOPLE PARTICIPATED IN THESE INITIATIVES

### Labor Inclusion Program:

Aimed at increasing work opportunities and employability conditions of people with disabilities by means of a 9-month job practice at the Bank. Candidates are sent by social organizations specialized in this area, that later participate in the regular recruitment process.

### Internship Program:

A supplement to the University Scholarship Program aimed at young people from low-income sectors. Its purpose is to facilitate the articulation of theoretical concepts with specific professional practice; thus adding value to the professional training, and promoting the development of skills and competences. This Program serves as the seedbed for the Young Professionals Program.

### First Step Program and Tarjeta Naranja's First Step Trainee Program:

Aiming at facilitating the transition to formal employment, and in alliance with the Secretariat of Equality and Employment Promotion of the Government of the Province of Cordoba, the Group participated in these Programs, allowing young people from 16 to 24 years old to have a first work experience in order to develop skills, knowledge, and the abilities required to perform in work environments, thus enhancing their employability. Beneficiaries of both programs are entitled to an incentive monetary allowance, a non-wage benefit, paid monthly and consecutively for a 12-month period. Such allowance is co-financed by the company that makes a contribution of Ps.1,000 per beneficiary per month. In 2016, 23 new beneficiaries entered the program.

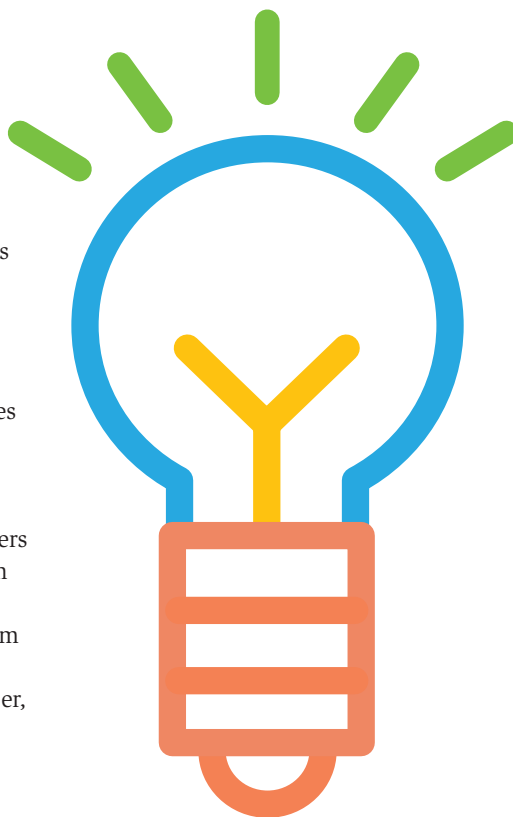


## INSPIRE

### Innovation leaders

Leaders are essential to motivate and inspire employees. Hence, our companies put programs in place to develop their leadership skills and offer them tools to strengthen their teams. We encourage them to greatly develop their skills to motivate employees and promote climates of trust.

In Banco Galicia, the Community of Leaders is made up of 120 senior managers while the Leaders' Development Program has more than 600 mid-level managers. The Bank uses the Galicia Leader program to inspire a leadership style based on 4 pillars: exemplary, entrepreneur, developer, and visionary. This program was also adopted by Galicia Seguros.



storytelling abilities.  
**Learning from Mistakes**

**253** PARTICIPANTS

**4** KEYNOTE SPEAKERS

Banco Galicia joined the global movement Learning from Mistakes, whose aim is to publicly share stories of failure with speakers that serve as promoters of learning, facilitating networking among attendees. By adhering to this idea, Banco Galicia organized a meeting, becoming the first bank in Argentina to hold such an event. The aim was to provide leaders with tools to better deal with failure and learn from their experiences to make their project successful.



### Bet on Innovation

The Bank develops initiatives to promote innovation as an organizational skill and has a network of game changers who lead projects. This allows the Bank to attract and retain new generation talents looking for new ways of working.

Tarjeta Naranja has implemented the Creative Facilitators Training Program, for those who are engaged in innovative initiatives in various teams of the organization.

Efectivo Sí promotes the Inquietamente (Restlessly) Program, seeking to speed up and improve employee skill development in daily work.

### TEDx

**20** PROPOSALS RECEIVED

**300** IN-PERSON AND REMOTE PARTICIPANTS VIA VIDEOCONFERENCE

Banco Galicia and Tarjeta Naranja organized the third TEDx conference in Cordoba to share experiences of inspiring employees. Employees of both companies were invited to send proposals via an open call. The seven selected speakers completed an exclusive training with expert coaches specialized in TEDx training, including individual sessions and group workshops to develop public speaking skills and



### Star Me Up Recognition Program

**3,458** EMPLOYEES USED STAR ME UP

**26,495** STARS AWARDED

Employees' good work, effort and achievements must be recognized as an essential pillar to promote an atmosphere of gratitude. In this line, the Bank developed a digital tool available to all employees to recognize those who live up to the corporate values in their team work: Star Me Up.

This way, Star me Up becomes a platform to recognize, motivate and stimulate all work teams. Each employee has 10 monthly stars to recognize the one he/she wants within the organization, so that every area and hierarchy has access to award a star to anyone. Because everyone can see the stars awarded and received on the shared portal, recognition becomes spontaneous, simple and transparent process, thus creating positive and committed work environments.



WE MEASURE THE ORGANIZATION'S ACKNOWLEDGMENT AND SUPPORT PRACTICES WITH REGARD TO THE DEVELOPMENT OF EMPLOYEES, HOW EMPLOYEES FEEL RESPECTED WHEN ENGAGED TO TAKE PART IN SIGNIFICANT DECISION-MAKING, AND HOW EMPLOYEES ARE TAKEN CARE OF AS INDIVIDUALS, MAINTAINING A BALANCE BETWEEN THEIR WORK AND PERSONAL LIFE.

Steps: Talk, Listen, Develop and Take Care.



## TALK: Communication with employees

17,147 VISITS TO BANCO AL DÍA TV

EVERY COMPANY IN THE GROUP NURTURES A CLOSE RELATIONSHIP WITH EMPLOYEES, USING COMMUNICATION TOOLS THAT ALLOW THEM TO LISTEN TO THEIR NEEDS AND PASS ON RELEVANT INFORMATION TO JOINTLY AND EAGERLY CREATE A PROPITIOUS WORK ENVIRONMENT.

## Outstanding Communication Channels during our Management in 2016:

- **Banco al Día TV:** An audiovisual tool that Banco Galicia uses to convey the Chief Executive Officer's message to employees together with the news of the month.
- **Conectados App:** Banco Galicia launched this web-based application to facilitate work outside the office, including the possibility to provide feedback and check published information.
- **Network of Internal Communication Correspondents:** They spread and promote the Bank's strategic themes, playing a key role as communication links between their teams and different sectors of the Bank.
- **Alone with HR:** Tarjeta Nevada organizes meetings with the employees and the HR department to evaluate the work environment and leadership style.
- **Red Naranja:** Together with Red Naranja Móvil, they make up Tarjeta Naranja's Intranet, which allows to connect geographically dispersed work teams and invites employees to share business insights. Migrating to a digital format in 2016, allowed access to virtual work groups and topic-specific microsites.
- **Mi Camino en Galicia Seguros (My Journey in Galicia Seguros):** This new tool is focused on providing information about the journey of training and development available to each employee.
- **Equipo al día (Up-to-date Team) en Efectivo Sí:** A 10-minute face-to-face encounter to provide employees with the same information from their leaders in a dynamic and friendly way.





## LISTEN

102-43

### Conociéndonos cada día más (Getting to Know Each Other More Every Day) Program

43 MEETINGS

With the aim of building up a culture of trust, transparency and credibility, Banco Galicia holds lunch or breakfast meetings with employees and the Executive Committee throughout the country. These meetings are an opportunity to establish a close and friendly communication, listen to concerns, clear up doubts, and provide a consolidated view of the Bank's business.

### Communication Channels

In Banco Galicia we create spaces for dialogue between leaders and employees to discuss career development. In this regard, we organize the Conversation Gym, a training space for leaders to acquire effective tools to provide feedback.

In 2016 Tarjeta Naranja implemented a survey to assess HR practices, i.e., compensation, benefit programs, work environment, training and career development, and corporate social responsibility. The participation rate amounted to 68.7%.

Galicia Seguros has developed formal spaces such as, Punto de Encuentro (Meeting Point) and Conociéndonos (Getting to Know Each Other), where employees interact with their leaders and other team members.





## DEVELOPMENT

103-2, 103-3, 404-2, ODS 8.5, 16.3

WE WANT EMPLOYEES TO FEEL PART OF A COMPANY THAT SUPPORTS THEM IN THEIR PERSONAL AND PROFESSIONAL GROWTH. TO THIS END, WE IMPLEMENTED PERFORMANCE EVALUATION PROCESSES FOCUSED ON ONGOING IMPROVEMENT AND TRAINING SESSIONS ACCORDING TO THE SURVEYED NEEDS.

### Performance Assessment

**91.84%** OF BANCO GALICIA EMPLOYEES WERE ASSESSED

The performance evaluation process is an effective tool to measure and value responsibilities, goals allocated, and to lay out an action plan for the near future. This process is divided into three stages: setting goals and competencies, the semiannual review, and the annual assessment.

We encourage feedback between employee and leader through all the stages.

Banco Galicia holds a feedback survey, whereby employees anonymously provide feedback on their perception of their line manager's leadership behavior.

In 2016 Galicia Seguros launched the 180-Degree Evaluation for division heads and managers. Through this process, they are evaluated by their peers and employees. Along this line, Tarjeta Naranja has the democratic evaluation tool, where employees evaluate their peers, leaders, and the company as a whole.

<b>PERSONAL</b>	Quiero movimiento! 	Comprometido con mi desarrollo 	Con espíritu emprendedor 	Elijo hacerlo bien 
<b>NEGOCIO</b>	Busco hacerlo distinto 	Genero experiencias positivas 	Con estilo Galicia 	
<b>LIDERAZGO</b>	Liderando personas 	Liderando el negocio 		
<b>RELACIONAL</b>	Decidido a conversar 	Construyendo con los otros 		



## Training and development

GRUPO FINANCIERO GALICIA'S COMPANIES SUPPORT THE PROFESSIONAL GROWTH OF THEIR EMPLOYEES BY ATTENDING TO THEIR NEEDS AND SKILLS AND UNDERSTANDING THE TECHNICAL COMPETENCES REQUIRED FOR THE JOB IN ORDER TO MAXIMIZE RESULTS.

### Líder Galicia (Galicia Leader) Self-Test Survey and Leadership Assessment by Leaders

In Banco Galicia leaders receive a personal report presented as a situational map, upon which they are invited to design their own action plan. In addition, the Division Manager evaluates their behavior against the Galicia Leader program. Both stages combined allow to identify the gap between perception and reality, and help take actions to give them training or support for the development of the skills needed. In 2016, more than 386 senior and middle-management leaders of central areas and channels participated in these programs.

### Galicia School of Leaders

The Bank's School of Leaders aims at developing leaders who can create positive work environments by setting the example, having an entrepreneurial spirit, being talent-developers and visionaries. The School is divided in three levels for employees who are initiating their journey as leaders at the Bank and the recently promoted.

### The Leadership Program for Galicia Seguros Leaders

Aimed at new Leaders who have no experience in the management of people or those who have recently started managing people. The goal is for leaders to build a broad base of knowledge to address employee issues in their teams.

### Banco Galicia's Talent Mappings and Programs

Every year we conduct a mapping of potential talent to prioritize and adjust training and development actions accordingly; identify and expand the talent pool while doing replacement planning; and develop special programs to accelerate the acquisition of key business competences by those employees who have potential. Talent Programs are specifically designed to speed up the development of employees who, according to the mapping, have an outstanding potential and level of contribution.

DIMENSIÓN	EMPRESA	PROGRAMA	CANTIDAD DE PARTICIPACIONES	HORAS DE CAPACITACIÓN
NEWLY-HIRED EMPLOYEES	Banco Galicia and Tarjeta Naranja	Orientation Sessions	937 <sup>30</sup>	9,509
DEVELOPMENT OF TECHNICAL SKILLS	Banco Galicia	Training Schools for Branches	145 <sup>31</sup>	4,235 <sup>31</sup>
		Training Schools for Central Areas	590 <sup>31</sup>	1,180 <sup>31</sup>
		Foreign Language Programs	1,493	15,291
		External Courses	209	3,325
		Projects and Special Initiatives	442	3,843
	Tarjeta Naranja	Training for the development of technical skills (it includes position-specific training, development plans and training programs for future leaders, training on communication and speaking techniques, Office Tools workshops, conflict management and financial and organizational management workshops)	3,457	36,001
	Galicia Seguros	Online and face-to-face Soft training sessions on communication, finance and customer service quality, among others.	1,940	9,795
	Efectivo Sí	Feedback and staff selection. Bank Teller School Biometric Totems.	6,118	6,118
	Tarjeta Nevada	Training in soft skills, among which the following are worth noting: customer service quality, Lean, delinquency and effective relationships.	541	22,023
	TRAINING OF LEADERS	Banco Galicia	Leadership and Management School	1,464
Professional Development School			848	3,808
Integration Programs			442	3,843
Scholarships for postgraduate education and master's degrees programs			617	21,705
Tarjeta Naranja		Coaching, external training programs, assessments on employees' potential, creative facilitators training program, and co-participative leadership program.	1,207	10,038
Galicia Seguros		Leadership courses	44	Not applicable
Efectivo Sí		Leadership workshop	108	Not applicable
Tarjeta Nevada		Coaching and middle management program	65	1,732

30. Participants.

31. Central areas and branches: Commercial + Operating – Face-to-face and E-learning.

### COMPANIES' TOTAL DISTRIBUTION OF TRAINING HOURS BY GENDER

WOMEN	Men
88,617.28 hours	91,028 hours



## TAKE CARE

103-2, 103-3, 401-2, 404-2, ODS 8.5, 16.3

### Benefits Programs

WE ARE COMMITTED TO PROVIDE COMPREHENSIVE BENEFIT PROGRAMS THAT CONTRIBUTE TO IMPROVE THE QUALITY OF LIFE OF OUR EMPLOYEES, MEETING THEIR EXPECTATIONS.

## 1 RECREATION, SPORTS AND CULTURAL ACTIVITIES

Recreation plays a primary role in the performance and well-being of employees. Accordingly, the companies always seek to develop attractive proposals to satisfy the individual and family needs, and forge bonds of camaraderie through various shared activities. In addition, we also offer special discounts on shows and have discount agreements with fitness and sports clubs.

TARJETA NEVADA PROVIDES A HEALTHY HABITS PROGRAM TO ITS EMPLOYEES TO IMPROVE THE QUALITY OF LIFE OF BOTH EMPLOYEES AND THEIR FAMILIES.

### BANCO GALICIA 2016 +BIP BENEFICIARIES

Activity	Participants
Our Kids Visit the Bank	136
Soccer Tournaments	1.472
Tennis, Squash and Paddle Tournaments	56
Activities (Theater, Cooking, Dance, Chorus, Running Team)	126
After Offices throughout Argentina	24

## 2 HEALTH

We promote healthy habits and environments, through different campaigns and actions focused on nutrition, vaccination and voluntary blood donation. In addition we organize talks and events related to health care.

TARJETA NEVADA PROVIDES A HEALTHY HABITS PROGRAM TO ITS EMPLOYEES TO IMPROVE THE QUALITY OF LIFE OF BOTH EMPLOYEES AND THEIR FAMILIES.

### GFG 2016 +HEALTH BENEFICIARIES

Activity	Participants
Semana de la Salud (Healthcare Week):	5,155
- Visits to the Doctors' Offices	1,591
- Massages and Reflexology	2,277
- Several Activities	1,287
First Aid and Cardiopulmonary Resuscitation Courses	159
Voluntary Blood Donation	119
Vaccination Campaign	2,635
+Salud Space (Average Monthly Visits)	1,003



## 3 FUTURE

We support the personal and professional growth of employees by offering them special discount bonuses on insurance policies, preferential terms on banking products, interest-free personal and mortgage loans payable in monthly installments, tax and HR advice, thus optimizing time and procedures before various agencies, while also providing educational support.

### LOANS TO EMPLOYEES SETTLED IN 2016 - BANCO GALICIA

Type of Loan	Number of Loans	Total Amount In Pesos
Personal Loans	1,412	141,266,772
Mortgage Loans	96	72,165,547
Leasing	7	2,768,659
<b>Total Loans</b>	<b>1,515</b>	<b>216,200,978</b>

### OUTPLACEMENT PROGRAMS

TARJETA NARANJA BEGAN TO IMPLEMENT SUPPORT PROGRAMS TO HELP EMPLOYEES WHO HAVE WORKED MANY YEARS IN THE COMPANY AND ARE GOING THROUGH THE PROCESS OF TRANSITIONING INTO RETIREMENT.



## 4 WELL-BEING

We want every employee to feel special, listened, and recognized. Therefore, many activities are carried out in the workplace and we celebrate important personal events in the employee's life.

Outstanding actions being developed in the Group's companies:

- Maternity or paternity leaves and reduced working hours.
- Extra time to enjoy special family moments, like taking two hours of paid time off on their child's birthday.
- Ensuring safety in work environments, by performing audits, simulations and training.
- Recognition for work achievements: when Tarjeta Nevada's employees achieve goals that directly impact on the company's growth, we invite all teams to join us for a special celebration event, where the HR department expresses gratitude for the employee efforts in a joyful and warm atmosphere, with inspiring words by the management and of course, photos and videos.

### New Actions:

- Changes in the business hours of Tarjeta Nevada's Head Office; now employees work non-stop, allowing them to devote more time to recreation, education or the family.
- A canteen was established at Tarjeta Nevada's Head Office, accommodating more than one hundred people. In turn, all branches have fully-equipped kitchens decorated according to the employees' preferences.
- Tarjeta Naranja has entered into an agreement with a private health insurance company to provide free medical coverage to its employees.
- Galicia Seguros gives a refund for child-care center costs to provide economic support to parents.

- Access to Tarjeta Naranja Oro at no cost for Galicia Seguros' employees.

**1,684** TARJETA NARANJA'S EMPLOYEES ENJOYED THEIR PAID TIME OFF ON THEIR CHILD'S BIRTHDAY.

### BANCO GALICIA 2016 +WELL-BEING BENEFICIARIES

Activity	Participants
Breastfeeding Kits Delivered	99
Mejor en Bici (Better by Bike) Program	119
Yoga Workshop	71
Set of School Supplies	3,026

### GIFTS DELIVERED ON SPECIAL OCCASIONS

COMPAÑÍA	CELEBRACIÓN	CANTIDAD
Tarjeta Naranja	Christmas	3,317
	Friendship Day	3,463
	Birth	298
	Mother's Day	100
	Labor Day	3,512
Tarjeta Nevada	Family Day	3,457
	Labor Day	1,164
	Friendship Day	1,092
	Easter	1,232
	Children's Day	885
	Spring	1,014



# 1

## SOCIAL INVESTMENT ANALYSIS MATRIX

IN 2016, BANCO GALICIA UPDATED THE MATRIX, USING THE LATEST INTERNATIONAL CRITERIA FOR THE ASSESSMENT AND FOLLOW-UP OF SOCIAL INVESTMENT AND DEVELOPMENT. THE PROGRAMS DEVELOPED WERE EVALUATED USING THIS NEW TOOL.



# 2

## SPONSORSHIP

GRUPO FINANCIERO GALICIA'S COMPANIES HAVE PARTICIPATED IN THE CULTURAL PROMOTION SCHEME IMPLEMENTED BY THE CITY OF BUENOS AIRES, WHICH ALLOWS TO FINANCE CULTURAL PROJECTS BY ALLOCATING 10% OF GROSS INCOME TAX AMOUNTS PAYABLE IN THE FUTURE.

IN 2016, 20 PROJECTS WERE SUPPORTED FOR A TOTAL OF PS. 5,887,660.

# 3

10 YEARS OF SOLIDARITY  
ROUNDING UP  
THIS PROGRAM WAS CREATED BY  
BANCO GALICIA WITH THE AIM  
OF MEETING SOCIAL NEEDS  
TOGETHER WITH OUR CUSTOMERS.  
THE LAST CAMPAIGN RAISED PS.  
1,692,323.29



# 4

HEALTHY HABITS AND  
ACCESS TO SAFE WATER  
BANCO GALICIA LAUNCHED  
A NEW PROGRAM, BASED  
ON TRAINING AND THE  
INSTALLATION OF A  
WATER-PURIFYING FILTER,  
TO CONTRIBUTE TO THE  
PREVENTION OF DISEASES  
CAUSED BY UNSAFE WATER AND  
IMPROPER FOOD HANDLING.



# COMMUNITY

## GALICIA GROUP'S SOCIAL INVESTMENT STRATEGY

103-2, 103-3, 413-1, 413-2, ODS 1.4, 16.3

The Group's companies develop programs jointly with Civil Society Organizations (CSOs) or volunteer employees, thus producing an impact on individuals and communities by focusing on individual progress to achieve sustainable development in a comprehensive manner. Accordingly, we work on initiatives to improve education, health and work opportunities nationwide.

We forge alliances based upon the understanding that a strategic social investment shall take the following into consideration:

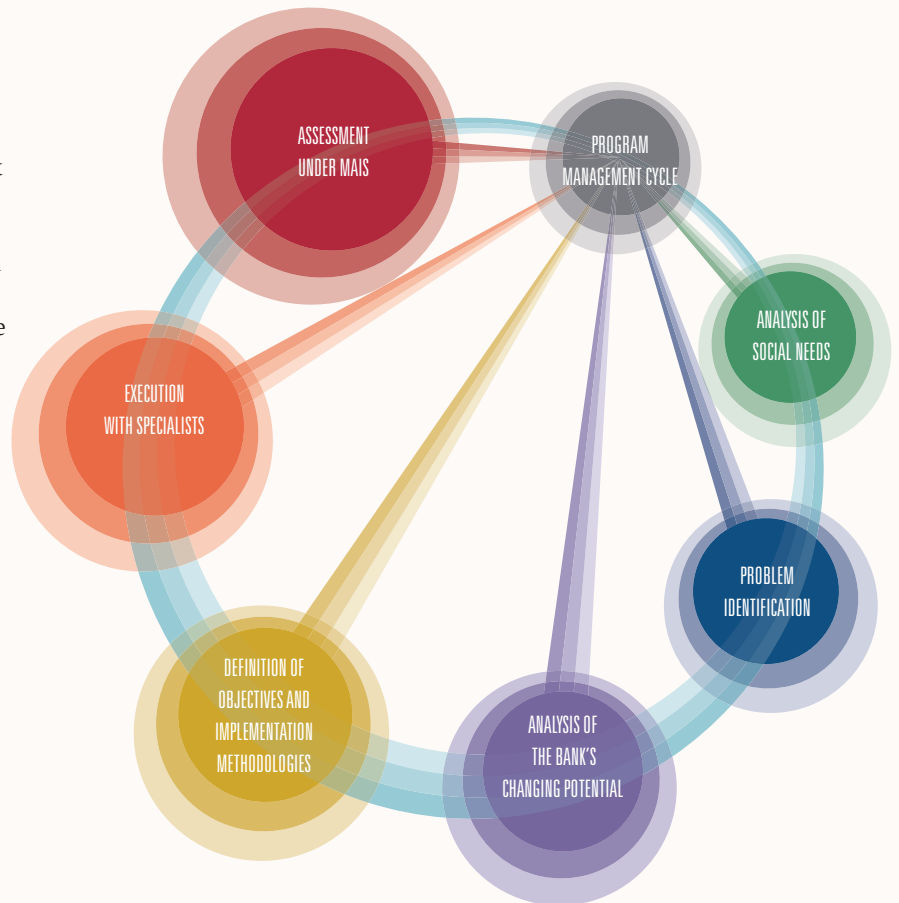
- Efficiency when addressing significant issues to avoid the scattering of resources.
- Articulation with subject-matter experts to professionalize the intervention.
- Influence to cause real transformation with scalability.

Therefore, three types of approaches are applied to our community work: Insignia Programs, Strategic Alliances and Institutional Support.

Insignia Programs, created by the Bank and jointly implemented with the support of expert consultants and CSOs; Strategic Alliances, consisting in alliances with CSOs to pursue programs of their own initiative; and Institutional Support, covering specific contributions to different entities to help them strengthen their existing initiatives.

## Program Management Cycle

All initiatives are managed based on a comprehensive diagnosis that takes into account the needs and potential of each particular community.



### QUANTITATIVE INDICATORS

	TOTAL		EDUCATION		WORK PROMOTION		HEALTH	
	2015 GFG	2016 GFG	2015 GFG	2016 GFG	2015 GFG	2016 GFG	2015 GFG	2016 GFG
Presence in the Provinces	24	24	24	24	24	24	24	24
Programs	34	40	14	17	11	11	9	12
Alliances with Organizations	121	128	57	58	26	26	39	44
Support to CSOs <sup>32</sup>	65	75	0	0	0	0	0	0

#### Beneficiaries

Institutions	541	608	77	150	73	72	391	386
Schools	1,048	556	1,042	499	6	47	0	10
Students	75,708	64,951	21,472	63,063	1,051	1,280	53,185	608
Teachers	139,107	220,723	137,260	218,588	258	278	1,589	1,857
Entrepreneurs	3,836	2,678	0	0	3,836	2,678	0	0
Unemployed	1,170	2,122	0	0	1,170	2,122	0	0
Patients	1,513,909	3,338,275	0	0	0	0	1,513,909	3,338,275

### Social Impact Assessment

To ensure the effective management of our social investment, we measure and evaluate the programs we carry out, and those implemented with the support of allied organizations.

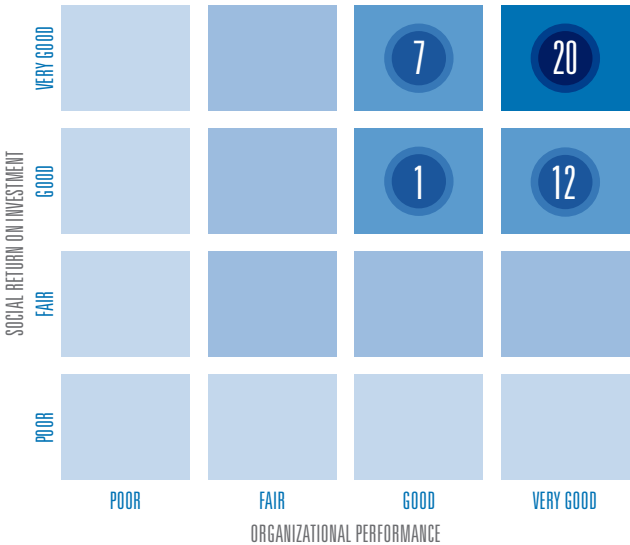
To this end, the Social Investment Analysis Matrix (MAIS, as per its initials in Spanish) has been used since 2011, a tool specially created by the Bank in compliance with international standards.

In 2016 a revision and restructuring of this tool was carried out, obtaining as a result an upgraded version, which evaluates the Social Return on Investment (comprising a 70%) and the Organizational Performance (consisting of 30%). While the Social Return on Investment focuses on program management, the Organizational Performance seeks to understand how the organization performs.

Having assessed all of the organizations as of 2015, a decision was made to perform annual evaluations by thirds. Consequently, 40 CSOs had been assessed during 2016.

As a result of these evaluations, 78% of the programs are rated as "Very Good", while the remaining 22% is rated as "Good."

The results obtained make it easier to have a more in-depth knowledge of allied organizations, apart from supplying qualitative and quantitative information on the social investment scope.



In 2016, Tarjeta Nevada organized a multisectoral encounter to publicize the company's programs, exchange experiences, and evaluate the performance of implemented actions to further improve outcomes and produce a greater impact through joint initiatives.

### Institutional Strengthening of CSOs

Using the Matrix allows us to identify the actual needs of CSOs, and subsequently offer them training and institutional strengthening forums.

#### RURAL SOLIDARITY AWARD

THROUGH THIS INITIATIVE, BANCO GALICIA JOINTLY WITH CHACRA MAGAZINE SEEK TO INCREASE THE VISIBILITY, DISSEMINATION AND PROMOTION OF SUCCESSFUL EXPERIENCES IN RURAL COMMUNITIES CARRIED OUT BY CSOS NATIONWIDE, OFFERING AT THE SAME TIME A TRAINING SPACE. PRIZES ARE AWARDED IN FIVE CATEGORIES: FOOD, EDUCATION, WORK PROMOTION, HEALTH, AND ENVIRONMENT. THE AWARD CEREMONY TAKES PLACE AT THE LIVESTOCK EXHIBITION AT PALERMO<sup>33</sup>.



Year 2016 marks 150 years of the Argentine Rural Society being founded, and Banco Galicia joined the celebrations by donating the equipment necessary to produce enough photovoltaic energy to supply the electricity needs of the Realicó Agro-Technical School in La Pampa.



32. While there is no Support to CSOs in the areas of education, health and job promotion, there are 75 support initiatives for CSOs at the community level, which do not focus on the three areas mentioned above.  
33. See the winners on [gestionsolidaria.com.ar](http://gestionsolidaria.com.ar).

## EDUCATION

413-1

ACCESS TO EDUCATION IS A FUNDAMENTAL RIGHT, PLAYING A KEY ROLE IN THE NATIONAL AGENDA IN ORDER TO PROMOTE SOCIAL DEVELOPMENT. TO SUPPORT INITIATIVES THAT CONTRIBUTE TO THE STRENGTHENING OF EDUCATIONAL INSTITUTIONS AND TO FACILITATE ACCESS TO QUALITY EDUCATION TO A GREATER NUMBER OF LOW-INCOME STUDENTS CONSTITUTE THE MAIN CHALLENGE OF THE GROUP'S COMPANIES. WITH THIS IN MIND, EACH COMPANY DEVELOPS PROGRAMS IN ALLIANCE WITH ORGANIZATIONS AND INSTITUTIONS TO PROMOTE EDUCATION OPPORTUNITIES FOR CHILDREN AND YOUTH AT ALL LEVELS.

### PRIMARY, SECONDARY AND UNIVERSITY EDUCATION

#### School Support

##### Apadrinando Escuelas (Support for Schools) Program

Tarjeta Naranja has been running this program since 1999, providing a monthly financial contribution so that school authorities of sponsored public primary schools throughout Argentina can meet the needs of students and their institution. Sponsor Merchants (“Comercios Amigos Padrinos”) have been participating in this initiative since its inception, making a financial contribution as well.

##### School Kits Delivery Program

**6,867** SCHOOL KITS DELIVERED

To support the beginning of the school year and the return to school after winter holidays, Tarjeta Naranja's employees give school kits to children who attend the 42 sponsored soup kitchens. A high percentage of the money invested comes from the proceeds of the sale of waste paper.

##### Primary and Secondary School Scholarships

**100** SCHOLARSHIP HOLDERS

In Alliance with Fundación Fondo de Becas para Estudiantes (FONBEC) (Scholarship Endowment Fund) and La Liga Solidaria (The Solidarity League), Tarjeta Naranja and a sponsor employee make a monthly contribution to the allied CSOs, whereby 80% of this contribution is paid by Tarjeta Naranja and the remaining 20% is paid by the sponsor employee.



#### Un Gol, un Potrero (One Goal, One Soccer Field) Program

Education through sports helps reinforce the formation of values and life skills while facilitating access to spaces of integration and support for children who come from socially vulnerable neighborhoods.

Having been the official sponsor of Argentina's National Soccer Team since 2011, Tarjeta Naranja created this program to promote this sport. This initiative sets forth that for each official goal made by Argentina's National Soccer Team, the company shall refurbish the sports area of a public school, neighborhood club or community center, providing the equipment necessary to play sports. The Vendé, Ganá y Ayudá (Sell, Win and Help) campaign was launched in 2016 before the American Soccer Cup. All sponsoring merchants were invited to take part in a raffle, where the winners could choose a local institution and renovate its sports area. This allowed to renovate 24 additional soccer fields, which when added to the 34 sports areas refurbished last year, brought to 300 the total number of sports area renovated and equipped since the program's inception.



## University Scholarships

102-12, 413-1

**316** UNIVERSITY SCHOLARSHIP PHOLDERS

Since 2008, and under the Potenciamos Tu Talento (Boosting Your Talent) Program, Banco Galicia has awarded 316 university scholarships to young people aged 17-23, who find themselves in a situation of social vulnerability and are committed to study and build a future for themselves. This program is conducted in liaison with

16 Social Organizations nationwide. It does not only include a monetary allowance, but also a mentoring scheme to support the student to pursue his or her degree, and the possibility to access an internship at the Bank to add value to his or her professional training.

A review process was undertaken in 2016, aiming at reinforcing the program and supporting the organizations to obtain better results and decrease university drop-outs.

Scholarship holders of the Potenciamos tu Talento (Boosting Your Talent) Program, working at the Bank: Rómulo García, Juan Jabosky, Fátima Tillan, Carolina Muro, Germán Silveiro, Melisa Meriani.

Likewise, the Bank makes contributions to the Scholarship Funds of the private universities with which it has forged alliances: ITBA, UDESA, Di Tella, Universidad Adventista, and UCA.

Furthermore, the Bank promotes exchange forums with them to strengthen their professional training, and invites them to take part in the different work promotion programs.



## Financial Education

413-1

497 SCHOOLS

+ 17,000 STUDENTS

587 TEACHERS



Since 2007, Banco Galicia has been conducting a Financial Education Program at the national scope, targeted at high-school senior students both from public and state-subsidized private schools, to help them learn and assimilate the importance of saving and personal planning, while spreading knowledge of the banking and financial systems. Furthermore, the program promotes the forging and strengthening of citizenship values such as responsibility, solidarity, respect and cooperation.

The Financial Education Workshop is scheduled for 3 days of 2 hour classes, and includes agile and dynamic activities that encourage participation and help play down economic issues. Content development is focused on decision-making, personal planning, market economy,

pricing, and the functioning of the financial system, including the role of the Argentine Central Bank (BCRA) and its relationship with local banks. During these workshops, the Bank guides young people to identify a way to attain personal goals, and subsequently apply such knowledge to their own context and reality, incorporating ideas for their personal economic plan.

This program is offered in alliance with Asociación Conciencia. During 2016, direct beneficiaries amounted to 2,975 students and 70 participating teachers. Indirect beneficiaries were projected to reach 12,180. In total, 59 institutions were covered.

In turn, Efectivo Sí completed the second stage of the program Animate a Saber (Dare to Know). The aim is to provide retired customers with information about the benefits of a savings account: safety, better use of time, planning, and control of expenses and savings. Training sessions took place in three Payment Centers located in the City and the Greater Buenos Aires area.



Philips School's students



## EDUCATION - VALUE FOR YOUR FUTURE

102-12, 413-1

BANCO GALICIA INITIATIVES	PROGRAM NAME	ORGANIZATION	DESCRIPTION	BENEFICIARIES	LOCATION
SUPPORT TO HIGHER EDUCATION	Potenciamos tu talento (Boosting your Talent)	Marista, Demos, FONBEC, Forge, Agrupar, Anpuy, Brazos Abiertos, León, Integrar, Reciduca, Puentes, Liga Solidaria, Reinventar, Fundación Franciscana, Germinare, Mujeres 2000	Promotes the development of higher education for underprivileged young people, through scholarships and personalized tutor assistance.	267 students	Mendoza, Buenos Aires, Córdoba, La Pampa, Entre Ríos, Jujuy, Neuquén, Chaco, Corrientes, Misiones, Salta and Tucumán
	Aporte a fondo de becas (Contributions to the Scholarship Funds)	UTDT, UDESA, UCA, ITBA, Cascos Verdes, Universidad Adventista	Support to low-income young students in their higher education through contributions to University/Social Organizations Scholarship Funds.	49 students	City of Buenos Aires, Province of Buenos Aires, Salta and Entre Ríos
FINANCIAL EDUCATION	Programa de Educación Financiera (Financial Education Program)	Conciencia	Training in the importance of personal planning, finance and the banking system, adopting and strengthening citizenship values.	59 schools 2,975 students 70 teachers	National
SCHOOL PERMANENCE	Programa de becas escolares (School Scholarship Program)	Cimientos, Conciencia, Reciduca, Asociación Argentina de Cultura Inglesa	Support to secondary school students through scholarships. Free opening and maintenance of savings accounts to manage grants.	2,865 students 120 teachers	National
TRAINING ACTIVITIES	Certamen Escolar (School Competition)	Fundación La Nación	Support to competitions aimed at enhancing teachers' work and school efforts, awakening students' interest and encouraging the development of participatory projects.	255 schools	National
	Acercamiento al Arte (Approach to Art)	AAMNBA, Fundación Teatro Colón, La Scala de San Telmo	Art promotion for children and young people through workshops and specialization scholarships.	1,500 students	National
	Jornadas educativas (Educational Sessions)	Fundación Lúminis, Museo del Holocausto, Misiones Rurales Argentinas	Support to face-to-face training and development attendance sessions aimed both at teachers and institutions. Publication of pedagogical videos on the Internet about the educational sessions carried out at the Book Fair.	1,492 teachers	National
	Formación en Valores (Education in Values)	Fundación Horacio Zorraquín, Ruta 40	Aimed at making the educational community aware of the significance of educating in values as a focal point for the comprehensive education of individuals and society.	6 schools 14 teachers 329 students	Salta, Tucumán and Catamarca
INSTITUTIONAL STRENGTHENING	Las 400 Clases (The 400 Classes)	CIPPEC	Publication on the Internet of high-quality videos, both from the conceptual and didactical points of view, to strengthen the teachers' resume and to inspire teaching. Teachers receive training in the use of videos.	216,000 teachers	National
	Formación y apoyo continuo para profesionales (Ongoing Training and Support for Professionals)	Enseñá por Argentina	Training for young professionals selected by Enseñá por Argentina, who are prepared to lead at schools and classrooms in social vulnerability environments.	23 teachers 2,555 students	Autonomous City of Buenos Aires, Province of Buenos Aires, Salta and Córdoba
	Reading Marathon	Fundación Leer	Aimed at making people aware of the importance of reading for personal development and the growth of societies. Winners are trained, reading spaces are created, and winning institutions are offered distance pedagogical advice.	16 schools 3,200 students 16 teachers	National
	Sustentabilidad y Políticas Públicas (Sustainability and Public Policies)	CIPPEC, Fundación RAP, Confederación de la Sociedad Civil, CIAS, Educar 2050, Fores, Chequeado, Foro del Sector Social	Aimed at coordinating with civil society organizations and public and private sectors in order to promote public policies encouraging equity, growth and sustainable development.	8 organizations 32 students	City of Buenos Aires and Province of Buenos Aires
	Infrastructure and Equipment	Asociación Cristiana de Jóvenes, Cimientos, Obispedo de San Isidro, Colegio Jesús María, Damas de Caridad, Amplitud	Aimed at improving building and equipment conditions, online platform and supplies for schools and universities.	3,987 students 4 schools 556 teachers	National
STRENGTHENING OF CAPACITIES FOR CSOS	Training for CSOs	AEDROS, Los Grobo, Aportes de Gestión para el Tercer Sector, Potenciar Solidario, Comunia, Compromiso, RACI	Strengthening and establishment of capacities for CSOs with respect to fund development, networking, strategic planning, institutional communication and the good practices manual for CSOs.	265 social leaders 138 organizations	National

## WORK PROMOTION

413-1, ODS 1.4, 8.10, 10.2

THROUGH DIFFERENT PROGRAMS, GRUPO FINANCIERO GALICIA'S COMPANIES PROMOTE INITIATIVES THAT IMPROVE EMPLOYABILITY CONDITIONS AND ACCESS TO THE LABOR MARKET. THE COMPANIES HELP YOUNG PEOPLE GAIN THEIR FIRST JOB, PROMOTE TRAINING TO STRENGTHEN ENTREPRENEURSHIP AND FINANCIAL INCLUSION FOR A PRODUCTIVE DEVELOPMENT.

## SUPPORT IN THE FIRST JOB

86 YOUNG PEOPLE TOOK PART IN TRAINING PROGRAMS FOR A FIRST JOB

### Commercial Teller Program

In conjunction with other banking entities and in alliance with Universidad Católica Argentina, Banco Galicia has promoted the Commercial Teller Program. This initiative aimed at training young people interested in joining the financial sector by providing them tools to help them gain a first job.

During 20 days and 80 lecture hours, one hundred young participants not only acquired technical expertise specifically related to the Teller tasks, but also received training in values, professional ethics, and personal development to improve their chances to enter the labor market. Following the training stage, the banking entities selected candidates to cover vacancies. Banco Galicia hired 4 young people to work as tellers.

This program was supported by the Under-Secretariat of Industry, Trade and Labor of the Government of the City of Buenos Aires.

### In-Company Internships

Every year, in cooperation with the Ministry of Education of the Province of Córdoba and in conjunction with public and private secondary schools, Tarjeta Naranja invites high-school senior students to participate in internships at the Company to facilitate the transition from school to work. 167 internships undertaken.

In turn, Tarjeta Nevada also promotes internships for high-school and college senior students. To this end, agreements were executed with Universidad Católica Argentina and Fundación Universitas in 2016. 600 people enrolled and 40 candidates were selected.

### Centro de Formación Nevada (Nevada Training Center)

Tarjeta Nevada has created the "Centro de Formación Nevada" (Nevada Training Center - CFN as per its initials in Spanish), where volunteer employees provide free training as tellers and customer service representatives, including technology and public speaking modules, to the locally unemployed in Mendoza. As of 2016, students may access tutorial materials, presentations, reading materials and videos on a dedicated website. In order to supplement these training sessions, motivational workshops are offered in alliance with Adecco, with the purpose of strengthening employment skills. 40 people have registered.



Opposite page, center:  
Lucía María Ríos Pita - Del Emprendimiento a la Pyme (From the Business to SME) Program Participant for her Start-Up "Mamarrucha", cloth diapers.



### TRAINING TO STRENGTHEN ENTREPRENEURSHIP

413-1, ODS 1.4, 8.10, 10.2

Del Emprendimiento a la Pyme (From the Business to SME) Program

**4,300** ENTREPRENEURS SUPPORTED SINCE THE PROGRAM'S INCEPTION

The Bank has continued promoting programs in alliance with Fundes, an organization that supports entrepreneurs' growth, seeks to enhance competitiveness of enterprises and to provide a formal framework to start-ups. Each program edition has a duration of 2 years and is divided in 3 stages.

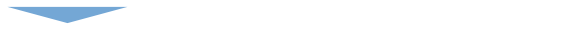
The first stage involves training. During this 5th. edition, the 860 participants had the opportunity to deal with issues such as strategic planning, marketing, accounting, tax and legal aspects, communications, and human resources management. The second and third stages consist of mentoring programs for the creation of a business plan and the subsequent formalization of enterprises. One-hundred and twenty-nine entrepreneurs have gone through these latter stages.

A recent survey among entrepreneurs, who have completed previous editions of the program, reveals that following their participation in the program:

- 30% expanded their employee base.
- 58% added more equipment and technology.
- 21% grew in terms of premises and facilities.
- 28% offered employee training.

#### Entrepreneur Forum

Tarjeta Nevada gave scholarships to 10 employees' children to take part in the Sustainable Entrepreneurship Forum organized by Junior Achievement, aiming at reinforcing values to generate an entrepreneurial spirit that will allow them to reach their goals with responsibility and liberty.



FUNDACIÓN OFICIOS CELEBRATED 10 YEARS OF WORK AND BANCO GALICIA JOINED IN. THE BANK HAS BEEN SUPPORTING THE FOUNDATION'S MISSION SINCE 2010, BY DONATING EQUIPMENT TO THEIR OFFICES. SUCH BOND LED STUDENTS TO TRAIN EMPLOYEE VOLUNTEERS IN BASIC CARPENTRY AND MASONRY TECHNIQUES TO PURSUE PROJECTS DRIVEN BY PRIAR.





## FINANCIAL INCLUSION FOR A PRODUCTIVE DEVELOPMENT

413-1, ODS 1.4, 8.10, 10.2

Funding is a key variable in productive development, economic growth and the betterment of communities. According to the World Bank, 50% of Argentinians have no access to the formal financial system. This is a challenge that needs to be addressed by both the public and the private sectors, assuming shared responsibility.

In this regard, Banco Galicia works towards diminishing social inequalities, by increasing access to credit opportunities for people outside the traditional system through the microfinance and the Mezzofinanzas credit lines.

### Mezzofinanzas

The Mezzofinanzas credit line was launched by Banco Galicia in 2015 to finance sustainable and innovative enterprises and projects, with a drive to scale and resolve social and/or environmental issues using a market-driven approach. It is an answer to the scarce credit offer aimed at microcredit beneficiaries and already consolidated SMEs in Argentina.

Recipients are individuals, legal entities and Civil Society Organizations, gaining access to a maximum amount of Ps. 1,000,000 to be used as a productive investment or working capital.



11 PROJECTS FUNDED

4,870,000 PESOS APPROVED FOR THE TOTAL PROJECTS

### Microfinance

As regards Microfinance, Banco Galicia has made a strategic alliance with Red Argentina de Instituciones de Microcrédito (Argentine Network of Micro-Credit Institutions) (RADIM as per its initials in Spanish) to promote and strengthen the work done by micro-credit institutions at the national level. This alliance includes support to RADIM in its exchange and training initiatives. During 2016 we provided support to the 10th. Conference on Microfinance and joined a panel discussion on the funder's vision introducing our financial inclusion efforts.

Furthermore, we provided funding to three microfinance institutions, reaching up to Ps. 5,400,000 worth of credit lines as of 2016.



Top:  
Verde Textil - Organic cotton fabric  
Center:  
Handy - Clothing for people with disabilities  
Bottom:  
Maggacup - Silicon reusable menstrual cups



## WORK PROMOTION – VALUE FOR YOUR DEVELOPMENT

102-12, 413-1, ODS 1.4, 8.10, 10.2

BANCO GALICIA INITIATIVES	PROGRAM NAME	ORGANIZATION	DESCRIPTION	BENEFICIARIES	LOCATION	
INSIGNIA PROGRAMS	SUPPORT TO ENTREPRENEURS	Del Emprendimiento a la PyME (From the Business to SME)	Fundes	Training offered to entrepreneurs to enhance business management, encouraging prospects for the future formalization of their businesses. Support is provided to those entrepreneurs who decide to formalize their undertakings.	349 entrepreneurs	National
	PROMOTION OF MICROFINANCE	Financiamiento a instituciones de microfinanzas (Funding to Microfinance Institutions - IMFs)	RADIM	Strengthening of microfinance institutions to help them develop their microcredit-related activities, through a credit line and technical training sessions.	228 social leaders 64 organizations 14 students	Salta, Jujuy, Santa Fe, Misiones, Mendoza, Province of Buenos Aires and Autonomous City of Buenos Aires
		Mezzofinanzas	Contribuir, Acrux Partner	Strengthening of sustainable and innovative enterprises and projects through the Mezzofinanzas credit line, by focusing on business endeavors with a drive to resolve social and environmental issues using a market-driven approach.	6 organizations	Autonomous City of Buenos Aires, Province of Buenos Aires and Mendoza
STRATEGIC ALLIANCES	PROMOTION OF ENTREPRENEURS	Apoyo a Emprendedores (Support to Entrepreneurs)	Impulsar, Junior Achievement, Marzano, ASEA, Contribuir	Training of entrepreneurs in enterprise management, with financial assistance and mentoring. Purchase of products made by entrepreneurs for the Bank's activities and for corporate gifts.	845 entrepreneurs 1 organization	National
	TRAINING FOR EMPLOYABILITY	Talleres de formación en oficios (Labor Training Workshops)	Media Pila, Manos Abiertas, Fundación Oficios, Fundación CUBA, Obra de Don Bosco, Luciérnaga	Training offered to low-income women, young people and adults, with the purpose of providing them with tools and a comprehensive training that will allow them to be better individuals and possibly become entrepreneurs. Technical training to facilitate access to employment.	698 entrepreneurs	Province of Buenos Aires, Autonomous City of Buenos Aires, Neuquén and Formosa
		Formación Laboral para Jóvenes (Work Training for Young People)	Reciduca, Colegio Madre Teresa, Parroquia Santa María del Camino, Forge	Support to young people so that they may complete their education, thus favoring the transition from school to work.	70 unemployed 1 organization	Buenos Aires
	LABOR INTEGRATION OF INDIVIDUALS WITH DISABILITIES	Educación y apoyo para el empleo (Education and Support for Employment)	PAR, Discar, Yeeeu	Development of a career profile according to the market's needs for people with disabilities, in order to facilitate the job-seeking process and provide follow-up by expert professionals.	2,002 unemployed	Autonomous City of Buenos Aires
	RURAL DEVELOPMENT	Recuperación de pueblos en riesgo de desaparecer (Recovery of Towns at Risk of Disappearing)	Responde	Social and economic development of small towns, by surveying their social and economic profile together with their natural and cultural resources while making their history known. Training sessions to improve business undertakings, and support in the promotion of the town and its businesses.	312 inhabitants	Entre Ríos
Fortalecimiento de Comunidades Rurales (Strengthening of Rural Communities)		Cruzada Patagónica, Fundación Bunge y Born, Profesorado Ciencias Agrarias y Protección Ambiental (PROCAyPA), Niwok	Promotion of development opportunities for families from rural communities, fostering sustainable family agriculture through diversification and productive improvements, as well as technical and legal training.	474 entrepreneurs 50 teachers 1,099 students 5 schools	Formosa, Misiones, Neuquén, Buenos Aires y Córdoba	



Escuela N° 531, Tres Isletas, Chaco

## HEALTH

413-1

CONTRIBUTING TO THE HEALTH AND WELL-BEING OF INDIVIDUALS IS A KEY PRIORITY WITHIN THE SOCIAL INVESTMENT STRATEGY OF GRUPO FINANCIERO GALICIA. BASED ON ENSURING A HEALTHY LIFESTYLE AND PROMOTING WELL-BEING, WE SEEK TO CONTRIBUTE TO THE REDUCTION OF CHILD MORTALITY AND TO PROMOTE UNIVERSAL ACCESS TO ESSENTIAL AND QUALITY HEALTH SERVICES.

ACCORDINGLY, BANCO GALICIA HAS PROMOTED IMPROVEMENTS IN HOSPITALS AND HEALTH CENTERS AND ADVOCATED FOR THE PREVENTION OF CHILDREN MALNUTRITION TOGETHER WITH CONIN SINCE 2007, RECENTLY ADDING A NEW INITIATIVE: HEALTHY HABITS AND ACCESS TO SAFE WATER.



## CHILD NUTRITION AND HEALTHY HABITS

**6,860** SOCIAL LEADERS TRAINED IN CHILD NUTRITION SINCE 2007

**212** CHILD NUTRITION TRAINING SESSIONS SINCE 2007

**+1,000,000** LITERS OF SAFE WATER MADE AVAILABLE

More than 13% of the Argentine population does not have close and permanent access to safe water.

In addition to being a key factor for development, safe water plays a major role in the prevention of diseases. Water-borne diseases, specially diarrheas, are one of the major causes of child mortality in the world. In order to fully develop, children need a friendly environment that allows them to satisfy their nutrition, stimulation, health, hygiene and protection needs.

In this regard, Banco Galicia launched the program entitled “Healthy Habits and Access to Safe Water” in 2016, aiming at contributing to the prevention of diseases caused by unsafe water and improper food handling in vulnerable communities nationwide.

Developed in alliance with CESNI and Proyecto Agua Segura (Safe Water Project), this initiative has already trained more than 428 students in hygiene habits and

installed 20 water treatment filters that will allow easy access to safe drinking water in vulnerable communities.

## MEJORAS DE HOSPITALES Y CENTROS DE SALUD (HOSPITALS AND HEALTH CENTERS IMPROVEMENT)

**86** IMPROVEMENTS MADE SINCE 2009

**+4,500,000** BENEFICIARIES

Since 2009, Banco Galicia contributes to the public health system by enhancing medical work and making improvements in hospitals and health care centers. Proposals for improvement include the purchase of equipment and hospital resources as well as improvements in infrastructure at public health institutions throughout Argentina.

In 2016 improvements were made in the following hospitals and care centers: Hospital Dr. Ángel Marzetti at Cañuelas, Hospital Zonal Cutral Có Plaza Huincul of Neuquén, Health Care Centers at Villa Gdor. Gálvez in Santa Fe, Health Care Centers at Almirante Brown, Prov. of Buenos Aires, Complejo Sanitario de San Luis, Hospital de Niños María Ludovica at La Plata, Néstor Kirchner Day Hospital in Tucumán, Hospital Regional Goya in Corrientes, Hospital Bocalandro at San Martín and Hospital Piñeyro at Junín.



## HEALTH-VALUE TO YOUR HEALTH

102-12, 413-1

BANCO GALICIA INITIATIVES	PROGRAM NAME	ORGANIZATION	DESCRIPTION	BENEFICIARIES	LOCATION	
INSIGNIA PROGRAMS	INFRASTRUCTURE AND EQUIPMENT	Hospitals and Health Centers Improvements	Cáritas Argentina, Asoc. Coop. del Hospital Gutiérrez, COAS, Damas Rosadas, Fundación del Hospital de Clínicas, Fundación Dr. Juan A. Fernández, Fundación Policía Federal Argentina, Fundación Trauma, Asoc. Coop. Hospital Magdalena Villegas	Seeks to improve the health care provided to patients in public health institutions through contributions of equipment, hospital resources and infrastructure remodeling. Contributions are made directly or else through Civil Society Organizations.	19 health centers 3,034,938 patients 58 social leaders	National
	HEALTHY HABITS AND NUTRITION	Hábitos saludables y acceso al agua segura (Healthy Habits and Access To Safe Water)	CESNI, Proyecto Agua Segura	Contributes to the prevention of diseases caused by unsafe water and improper food handling in vulnerable communities.	9 schools 428 students	Chaco y Catamarca
		Prevención de la desnutrición Infantil (Prevention of Children Malnutrition)	CONIN, CESNI, Haciendo Camino	Training for social leaders so that they can share what they learned at their areas of influence. Training, care and on-site follow up for women and children at social and nutritional risk.	973 social leaders 332 organizations 50 patients	Salta, Entre Ríos, La Rioja, Chaco, Corrientes, Misiones, San Luis, Santa Fe, Río Negro, Bs. As., Santiago del Estero and Autonomous City of Buenos Aires.
STRATEGIC ALLIANCES	SUPPORT TO RESEARCH, TRAINING, AWARENESS, AND TREATMENT OF DISEASES	Redes de apoyo, capacitación y contención (Support and Training Networks)	Solidagro	Support to networks for the distribution of food, medication, equipment, clothing and knowledge.	132 social leaders 856 patients 1 organization 1 school	Santa Fe, Chaco, Formosa, Corrientes, San Juan and Autonomous City of Buenos Aires.
		Formación para el Tratamiento de Enfermedades (Training in the Treatment of Diseases)	Sociedad Argentina de Diabetes (SAD), Asociación Argentina de Esclerosis Lateral Amiotrófica (ELA)	Training and equipment for health and research professionals in order to enhance their knowledge and skills.	304 social leaders	National
		Acción Social (Social Action)	ALPI, Asociación Distrofia Muscular (ADM), Fundaleu, Esclerosis Múltiple Argentina (EMA), ACIAPO, Fundación Natalí Dafne Flexer, Hospice Buen Samaritano, Hospice San Camilo, INECO, Fundación Zaldivar, Manos Abiertas	Support for the treatment of patients suffering neuro-orthotic pathologies, oncologic, cardiologic, ophthalmologic, neurologic diseases, asthma, multiple sclerosis, muscular dystrophy, amyotrophic lateral sclerosis and terminal diseases.	34 organizations 300,938 patients 390 social leaders	National
	PROMOTION OF THE WELL-BEING OF INDIVIDUALS WITH DISABILITIES	Sistema de Información para Gestión Territorial en Salud (Information System for Health-related Land Management)	Surcos Project	Computerized Management Platform to survey, analyze and prioritize health-related data, aimed at the development of effective actions.	815 patients	Misiones
		Estimulación Temprana (Early Stimulation)	Las Lomas Oral Asociación Civil, Comisión para las Personas con Discapacidad	Therapeutic care and comprehensive education for children with development disorders.	4 patients	Buenos Aires y CABA
		Integración a través del deporte (Integration Through Sports)	Fundación Baccigalupo, Nuevas Olimpiadas Especiales	Support to sports activities that promote integration through national and international tournaments.	350 athletes	Buenos Aires, Córdoba, Salta, Santa Cruz and Misiones
INTEGRATION OF VULNERABLE GROUPS	Integración a través de espacios de contención y apoyo personalizado (Integration through Personalized Support Forums)	Padres de Schoenstatt, Fundación Tzedaká, Fundación Amigos de Comunidades del Arca, Ayudar a Soñar	Creation of art forums, labor training workshops, and school support. Promotion of non-formal education, with psychological, psychopedagogical, health and feeding support.	247 patients 180 students	Province of Buenos Aires, Autonomous City of Buenos Aires and Salta	



Rosario de Lerma, Salta

## HIGH-IMPACT ACTIONS WITH CUSTOMERS

413-1

### Redondeo Solidario (Solidarity Rounding Up)

11 CAMPAIGNS SINCE 2005

49 BENEFITED PROJECTS

+13 MILLIONS OF PESOS IN FUNDRAISING

This program was created aiming at meeting social needs together with our customers by supporting specific projects driven by CSOs, rounding up to Ps. 5 of their outstanding credit card balance plus a contribution by the Bank.

The last campaign (2015-2016) raised a total of Ps. 1,692,323.29 equally divided to help the following initiatives: Scholarship Program for Secondary Education by Fundación Voy con Vos; “Construyendo la Vida” Work Insertion Program, Fundación Franciscana; Research Grant Program, Fundación Garrahan; Hospital-Acquired Condition Reduction Program FLIN. Each initiative received Ps. 423,080 to help its implementation.

On August 26th, 2016, on the occasion of the Day of Solidarity, we celebrated the 10th. Anniversary of the program inviting

customers, allied organizations, employees and managers to an event where the oldest customers were recognized and the new campaign projects were introduced.

### Débito Solidario (Solidarity Debit)

+186 MILLIONS OF PESOS ON ACCUMULATED FUNDS

380 BENEFITED ORGANIZATIONS

Solidarity Debit is one of the most established programs created by Tarjeta Naranja and Tarjeta Nevada. For the past 20 years, customer donations made through automatic debit are given to non-profit organizations. This program allows customers to make a monetary contribution and improve conditions for each organization. In turn, organizations are able to confidently plan future actions because they receive a monthly fixed income amount.



Customers who received recognition for their contribution to the program



## CORPORATE VOLUNTEERING

413-1

RECOGNIZING THAT VOLUNTEERING IS A STRONG AGENDA THAT PRODUCES A POSITIVE SOCIAL IMPACT IN CONCRETE AND TANGIBLE WAYS, THE GROUP'S COMPANIES SUPPORT THE EMPLOYEE INITIATIVES, THEREBY STRENGTHENING CORPORATE VALUES AND MULTIPLYING THE VALUE ADDED TO SOCIETY THROUGH THE CAPABILITIES THESE PROJECTS CREATE IN TERMS OF EDUCATION, WORK PROMOTION, RECREATION, NUTRITION AND HEALTH.

### Tarjeta Naranja

560 VOLUNTEERS

42 SOUP KITCHENS

For the past 13 years, Tarjeta Naranja has invited its employees to take part in several initiatives. Employees eagerly take action to activate programs, transfer knowledge, collaborate and share with local entities.

The company collaborates with nutrition, education, clothing and recreation initiatives aimed at children who eat at soup kitchens at different locations nationwide. In addition to the aforementioned actions, on certain holidays such as the Three Wise Men's Day, Children's Day

and Christmas, internal campaigns are organized to gather toys, which are later distributed among the institutions the company helps.

Moreover, the company undertakes Solidarity Missions throughout Argentina to meet the specific needs of certain communities.

### Tarjeta Nevada

Tarjeta Nevada's volunteering actions are targeted at families, children and the elderly. Three volunteering days were held during 2016. First, employees visited children's communities, schools, soup kitchens and senior centers to carry out volunteer-related activities on the World Environment Day. Second, recreational activities were done on Children's Day; and lastly, art expression sessions were organized on the International Day of Non-Violence against Women. In addition, Tarjeta Nevada's volunteers joined the TallaRing! Campaign, a call for solidarity by the non-profit organization, Banco de Alimentos Mendoza. During this campaign, for each noodle package donated by employees, the company doubled such donation. The noodle packages collected amounted to 2,046 packages of 500 gr each, which is equivalent to 12,280 meals. Together with Hemoterapia de Mendoza,

Tarjeta Nevada organized the second blood collection campaign at its headquarters, where 69 units of blood were collected thanks to their volunteer employee donors. On this occasion, blood was donated to the hemotherapy bank. Volunteers also registered as bone marrow donors.

### PERCHERO SOLIDARIO, A GROWING INITIATIVE (SOLIDARITY CLOTHING RACK)

TARJETA NEVADA'S INITIATIVE DRIVEN BY THE SLOGAN: "ARE YOU COLD? TAKE IT; WANT TO HELP? DONATE". THE FRONTS OF THE HEAD OFFICE AND BRANCHES WERE DECORATED WITH A SOLIDARITY RACK, PROVIDING A POWERFUL MEANS OF ENCOURAGING COOPERATION AND INCLUSION: PASSERS-BY GOT A CHANCE TO DONATE CLOTHES AND HANG IT, INVITING THE LESS FORTUNATE TO TAKE GARMENTS AS THEY NEED.

### Efectivo Sí

Based on the HR Program: "Desenfuchate" (Unplug Yourself), where employees teach skills to peers, volunteer employees of Efectivo Sí organized the activity "Desenchufate Solidario" to jointly knit woolen squares and then make baby blankets to donate to the non-profit organization, Mantas Solidarias.

**CLASSIFICATION  
OF FOOD**  
BANCO DE ALIMENTOS  
MULTISECTOR



**CLASSIFICATION  
OF FOOD**  
BANCO DE ALIMENTOS  
ENGINEERING AND MAINTENANCE

**HARVEST**  
MOVILIZARSE, CHOCLEADA  
WHOSALE BANKING



**TOY FACTORY**  
FUNDACIÓN SÍ  
SYSTEMS DEVELOPMENT

**ARTIST FOR A DAY**  
ARTECURA - HOSPITAL PEDRO  
ELIZALDE EX CASA CUNA  
ORGANIZATIONAL DEVELOPMENT AND HR



**TOY FACTORY**  
FUNDACIÓN SÍ  
GALICIA SEGUROS



**CLASSIFICATION OF  
CLEANING ITEMS**  
BANCO DE ALIMENTOS  
GALICIA SEGUROS

## Banco Galicia

**222** SOLIDARITY PROJECTS SUPPORTED  
SINCE THE PROGRAM'S INCEPTION

**76,164** BENEFICIARIES SINCE THE  
PROGRAM'S INCEPTION

**6,497** VOLUNTEERS SINCE THE  
PROGRAM'S INCEPTION

Since 2002, Banco Galicia has developed PRIAR, a Corporate Volunteering Program, which has so far promoted 222 solidarity projects in Argentina. Created by the employees, the purpose of this program is to help the most needy non-profit organizations by offering them sustainable solutions.

Within the framework of the Ayudando a Ayudar (Helping to Help) Civil Association, the PRIAR volunteers promote improvements in infrastructure, equipment and training for soup kitchens, schools, homes and hospitals through the following initiatives: Todos Somos Protagonistas (We Are All Main Players, a one-day project) and longer-term programs. Furthermore, the program organizes in-kind donation campaigns.

In 2016, 16 new projects started in the following locations: Chaco, Province of Buenos Aires, Santiago del Estero, Jujuy, Mendoza, Córdoba, San Luis and the Autonomous City of Buenos Aires. In conjunction with social organizations, 14 volunteering days "Todos Somos Protagonistas" (We Are All Main Players) were organized. Previous projects in the provinces, new projects and volunteering days mobilized a total of 1,292 volunteers, reaching 17,443 beneficiaries as of 2016.

## Galicia Seguros

Galicia Seguros' volunteers joined the PRIAR program, participating in one-day activities and mid-term projects and campaigns. In 2016, a solidarity and fund-raising project started to support the Pekenitos Soup Kitchen.

In turn, three volunteering days "Todos Somos Protagonistas" were held in alliance with Fundación Banco de Alimentos, Hábitat para la Humanidad and Fundación Sí. Through these actions, we were able to reach new communities, encouraging a greater number of employees to take part in joint actions.

**EQUIPMENT AND RECREATION**  
CASA DE RONALD MCDONALD  
INDIRECT CHANNELS



**INFRASTRUCTURE IMPROVEMENTS**  
SOCIEDAD DE FOMENTO SOL DE ORO  
ORGANIZATIONAL DEVELOPMENT AND HR

**TOY FACTORY**  
FUNDACIÓN SÍ  
LEGAL DEPARTMENT



**READING AT SCHOOLS**  
FUNDACIÓN LEER  
ORGANIZATION

**TSP ENVIRONMENT**  
HUERTA NIÑO + COTTOLENGO DON ORIONE  
ADMINISTRATION AND SECURITY



**INFRASTRUCTURE AND EQUIPMENT IMPROVEMENTS**  
HOSPITAL DE NIÑOS DE LA PLATA  
RETAIL BANKING AND CUSTOMER EXPERIENCE



**CONSTRUCTION**  
HÁBITAT PARA LA HUMANIDAD  
GALICIA SEGUROS



**11** IN-KIND DONATION CAMPAIGNS

**52%** INCREASE IN MONETARY CONTRIBUTIONS BY PRIAR VOLUNTEERS

**162** DONATIONS OF COMPUTERS AND FURNITURE NO LONGER USED BY THE BANK

**PRIAR AT GALICIA EVENTS**

IN 2016 PRIAR TOOK PART IN 19 SPECIAL ACTIONS AND EVENTS ORGANIZED BY THE BANK, INCLUDING FOREIGN TRADE MEETINGS WITH CUSTOMERS, MANAGER SEMINARS, AND END OF YEAR PARTIES, AS WELL AS EXPOAGRO, THE TRADITIONAL AGRICULTURE AND LIVESTOCK EXHIBITION, AND THE BUENOS NEGOCIOS CONFERENCES, ALWAYS AIMING AT EMPOWERING FUNDRAISING ACTIONS AND IN-KIND DONATIONS FOR SOLIDARITY PROJECTS IN LOCAL COMMUNITIES.

# 1

## NEW SUPPLY AND SAFETY DIVISION

THE GROUP CONSOLIDATED ITS PURCHASING SYSTEM THROUGH A NEW DIVISION, WHICH BEGAN IN 2016 WITH A SURVEY OF THE MAIN INDUSTRIES OF SUPPLIERS FOR PS. 2,100 MILLION AND ACHIEVED 5% SAVINGS WITH THIS SYNERGY.



# 2

## VALOR PROGRAM

BANCO GALICIA SUPPORTS THE DEVELOPMENT OF SMES SUPPLIERS IN ITS SUSTAINABILITY MANAGEMENT THROUGH THIS PROGRAM OF AMIA AND IDB. IN 2016, WE WORKED ON ADOPTING THE BEST SUSTAINABLE PRACTICES AT FIVE COMPANIES IN THE CITY OF ROSARIO.

## 3

**LEAN PURCHASES**  
TO OPTIMIZE INTERNAL PROCESSES, BANCO GALICIA BEGAN IMPLEMENTING THE LEAN METHODOLOGY WITH SUPPLIERS. WE SOUGHT TO MAKE THE PURCHASING PROCEDURE CONSISTENT AT THE GROUP'S LEVEL, IMPROVE THE PAYMENT SYSTEM AND ACHIEVE MORE ORDER IN MANAGEMENT.



## 4

**ETHICS HOTLINE FOR SUPPLIERS**  
AT THE GROUP, WE HAVE THIS NEW CHANNEL FOR OUR SUPPLIERS TO BE ABLE TO REPORT CONFIDENTIALLY, ANONYMOUSLY AND OBJECTIVELY IRREGULAR SITUATIONS OR CONTRARY TO THE CODE OF CONDUCT 24 HOURS A DAY, 365 DAYS A YEAR.

# SUPPLIERS

## OUR SUPPLIERS' PROFILE

102-9, 103-2, 103-3, 204-1, ODS 12.7, 16.3

The Group's companies seek to build a strong relationship with its suppliers, which allows knowing their internal processes to work jointly for the sake of sustainability.

Its main suppliers belong to the advertising and promotion industries, safety and cleaning services, food supplies, stationery, transport, graphics and printing, and organization of events.



**10,168** ACTIVE SUPPLIERS

**+15,000** MILLIONS PESOS IN PAYMENTS TO SUPPLIERS

**5,664** PRODUCTS PURCHASED BY BANCO GALICIA FROM SUSTAINABLE SUPPLIERS



### GRUPO FINANCIERO GALICIA'S SUPPLIERS

	BANCO GALICIA	TARJETA NARANJA	TARJETA NEVADA	GALICIA SEGUROS	EFFECTIVO SÍ
Number of Active Suppliers	3,257	4,988	1,140	516	1,042
Payments to Suppliers in 2016 (in Pesos)	9,056,244.867	3,659,340,498	808,750,000	969,742,328.3	707,275,121.4

### DISTRIBUTION OF PAYMENTS TO SUPPLIERS BY REGION

	BANCO GALICIA	TARJETA NARANJA	TARJETA NEVADA	GALICIA SEGUROS	EFFECTIVO SÍ
Autonomous City of Buenos Aires and Province of Buenos Aires	2,462	-	206	516	773
Central Area	345	572	-	-	74
Patagonia	159	-	98	-	60
Cuyo Region	128	-	656	-	54

## PRACTICES FOR THE SELECTION, HIRING AND ASSESSMENT OF SUPPLIERS<sup>34</sup>

102-16, 102-25, 102-43, 103-2, 103-3, 204-1, 205-2, 414-2,  
ODS 8.8, 12.7, 16.1, 16.3, 16.6

The companies' purchasing teams are responsible for selecting suppliers ensuring transparent and equal opportunities for everyone, according to our regulations, principles and values. To such end, they have several instruments to help attain that goal during the process. In addition, they seek to know their business behavior and, also, allow local suppliers to be able to develop themselves.

At Banco Galicia, the following instances to assess and choose suppliers should be highlighted:

1. Internal and external audits in the purchasing process, hiring and monitoring, which are supplemented with visits to suppliers to assess social and environmental standards, as well as to ensure compliance with the agreement signed. During 2016, six visits were made to the Bank's key suppliers.
2. Purchase Manual and Code of Ethics, which establish the administrative steps for the employees who make purchases to be able to act according to their guidelines.
3. Code of Conduct and Environmental Policy, which should be signed by suppliers when they are added.

Galicia Seguros also has a systematized process to manage its purchases and makes visits to suppliers, where documentation related to financial criteria and delivery and quality conditions are analyzed.



## Lean Purchases

We continued implementing the Lean Purchases methodology at different areas of the Bank and the Group, implementing a single purchasing methodology based on three mainstays:

1. Demand Analysis: specifications are analyzed, service levels are determined, substitutes are evaluated and a thorough analysis of the business unit is performed.
2. Process Management: improvements are made in accurate demand projections and planning; the efficiency in the hiring process is sought and the appropriate supply methodology is defined for this user area.
3. Suppliers Management: current suppliers of the area are analyzed and new ones are developed, generating a sound competition and market openness. Additionally, the terms and conditions of the agreements entered into with suppliers as well as the structure of costs are analyzed. The contract with the agreed-upon prices is also negotiated.

Tarjeta Naranja began working, along with the advice of an external consulting firm, on the Suppliers' Management and Assessment Model. This year the focus was placed on the implementation of a platform for the registration and classification of suppliers to make risk reports and in-person audits of critical suppliers. Also, purchasing teams were trained in the new tool and the company made the project known internally.

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**65** SUPPLIERS REGISTERED WITH THE DIGITAL PLATFORM OF REGISTRATION AND CLASSIFICATION

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Through an Audit Protocol, economic and financial, and social responsibility criteria, labor risks, environmental management, respect for human rights, ethics and integrity and technical resources are assessed. The challenge is to assess 30 suppliers and conduct four in-person audits.

34. Although suppliers were not subject to a formal and thorough analysis of labor and human rights practices, none of the Group's companies has become aware of a material negative impact with respect to these matters on the supply chain.

## TRAINING AND DEVELOPMENT

103-2, 103-3, ODS 16.3

COMMUNICATION WITH THE SUPPLY CHAIN IS ESSENTIAL TO STRENGTHEN RELATIONSHIPS AND OBTAIN A PRODUCT THAT IS IN LINE WITH QUALITY AND END CUSTOMER'S SATISFACTION STANDARDS. WITH THIS PURPOSE IN MIND, THE GROUP'S COMPANIES HOLD A FLUENT AND OPEN DIALOGUE WITH SUPPLIERS VIA TELEPHONE, E-MAIL OR PERSONNALLY.

Again, this year Banco Galicia committed to the Valor Program executed by AMIA and sponsored by the Inter-American Development Bank through the Multilateral Investment Fund.

The program's objectives are: to encourage the implementation of Corporate Social Responsibility measures tailored to the reality of SMEs, improve competitiveness and increase market opportunities for SMEs, and disseminate Corporate Social Responsibility practices in the Argentine society and contribute to sustainable development.

The stage of consulting regarding the adoption of the best practices for the companies' sustainable management was reached in 2016. Five companies of the Bank's value chain, which had been trained in 2015, took part.

- Two companies worked on Communication and Reporting.
- One company worked on Labor Practices, defining the Mission, Vision and Values, a personal survey, job descriptions and organization chart.
- One company worked on Environment to develop the sustainable events model, as the organization of events is its main activity, and linked it to contributions to the community as a reforestation plan.
- One company opted for the design of a Comprehensive Corporate Social Responsibility Plan.

Eurest Supplier - Food Service



## RESPONSIBLE PURCHASES

103-2, 103-3, 414-2, ODS 8.8, 16.1, 16.3

The Group's companies encourage responsible consumption, choosing products manufactured with some sustainability criteria or causing a positive impact from the economic, social or environmental standpoint.

Banco Galicia and Galicia Seguros purchase year-end gifts for our employees and allies from sustainable entrepreneurs. In 2016, the Bank purchased 5,664 sustainable products from the following organizations: San José Providente, Abadía de Santa Escolástica, Los Naranjos, Ecovasos and Getting Green.

At Tarjeta Nevada, paper reams derived from sugarcane, a renewable raw material, are used.



## DIRECTORY OF SUSTAINABLE SUPPLIERS<sup>35</sup>

Banco Galicia has been publishing for three years a Directory of Sustainable Suppliers to encourage responsible purchases. It details a series of social organizations, entrepreneurs and companies that are committed to the environmental care and the social development.

Thus, the creation of products and innovative organizations is fostered, and consumers are granted the possibility of selecting products and services considering the social and environmental impact.

The criteria to identify suppliers, the advice to sell to a large -or medium- sized company are described in the Directory, which also includes recommendations to consider upon purchasing from a sustainable supplier. Furthermore, the Directory includes an index that discloses the name, industry, sustainability criteria and type of organization. Then, each of the organizations selected is detailed, including contact data, and finally the websites of other directories and lists of sustainable suppliers are recommended.

35. For more information, please visit [galiciasustentable.com](http://galiciasustentable.com).

# 1

**NEW WASTE SORTING SYSTEM**  
BANCO GALICIA IMPLEMENTED  
AT ALL ITS MAIN BUILDINGS  
A NEW WASTE SEPARATION  
SYSTEM, PLACING TRIPLE  
SORTING ISLANDS DISTRIBUTED  
BY FLOOR TO BE INTRODUCED  
INTO ITS PLASTICS, GLASSES,  
METALS AND TETRA PACKAGING  
RECYCLING PROGRAM.



# 2

**CREDIT CARD RECYCLING**  
WE RESPONSIBLY MANAGE  
THE BANK'S DISUSED CARDS.  
BANCO GALICIA DELIVERED  
4,700 KG OF PLASTICS TO A  
SPECIALIZED SUPPLIER FOR  
THEIR APPROPRIATE DISPOSAL  
AND RECYCLING.



# 4

ENVIRONMENT  
PRESERVATION FUND  
BANCO GALICIA, TOGETHER WITH ASOCIACIÓN DE AVES ARGENTINAS, HELD AN EVENT AT THE ECOLOGICAL RESERVE OF THE CITY OF BUENOS AIRES TO REWARD THE WINNERS OF THE FUND UNDER THE TOPIC "CONSERVACIÓN DE AVES" (BIRD PRESERVATION).



# 3

GALICIA SQUARE  
THE MOVING TO BANCO GALICIA'S NEW SUSTAINABLE BUILDING BUILT UNDER THE LEED CERTIFICATION CRITERIA BEGAN, THE DESIGN OF WHICH ALLOWS FOR AN EFFICIENT USE OF WATER AND ENERGY MITIGATING THEIR ENVIRONMENTAL IMPACT.



# ENVIRONMENT



## ENVIRONMENTAL MANAGEMENT AT OUR COMPANIES

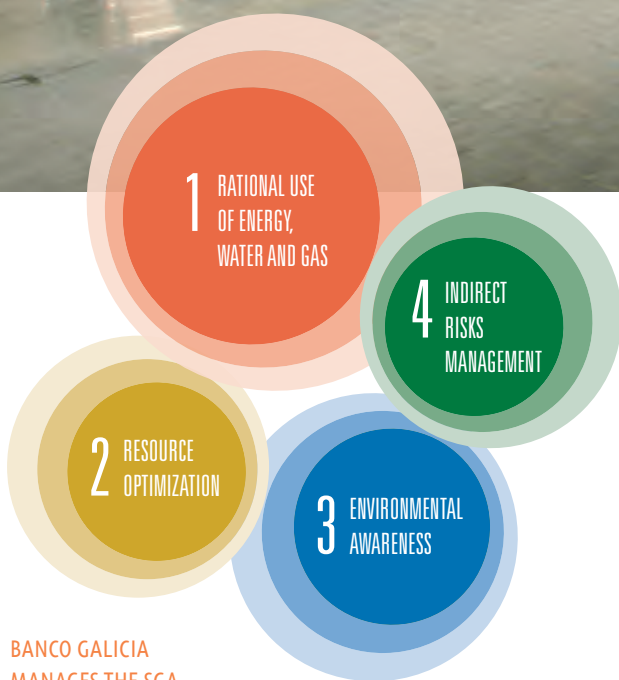
WE SHARE A COMMON ENVIRONMENTAL VISION AMONG THE GROUP'S COMPANIES. WE CARRY OUT THIS GOAL BY IMPLEMENTING ACTIONS THAT BENEFIT THE ENVIRONMENT CARE, PRESERVING AND PROTECTING NATURAL RESOURCES AND MITIGATING THE ENVIRONMENTAL IMPACT.



## ENVIRONMENTAL MANAGEMENT SYSTEM (SGA AS PER ITS INITIALS IN SPANISH)

Banco Galicia is the Group's reference company for its Environmental Management System (SGA), which has been implemented for seven years throughout the entity. In addition, all the companies carry out environmental initiatives and actions for the care of resources and the prevention of pollution.

Under the framework of its Environmental Policy, Banco Galicia seeks to mitigate the direct and indirect impact of our activity as a financial institution, promoting among our stakeholders the efficient use of natural resources at every action with environmental impact they carry out. This makes the Bank be one of the major references in Argentina.



BANCO GALICIA  
MANAGES THE SGA  
THROUGH FOUR PROGRAMS



#### ISO 14001

THIS YEAR BUREAU VERITAS CONDUCTED THE FIRST AUDIT OF SURVEILLANCE OF THE ENVIRONMENTAL MANAGEMENT SYSTEM FOR BANCO GALICIA'S CORPORATE TOWER UNDER ISO 14001:2004 STANDARD, BASED ON THE RECERTIFICATION OBTAINED IN 2015.

The following strengths of the external audit should be highlighted:

- Excellent status of premises.
- Excellent documentary system.
- Very good environmental management by the organization.
- Excellent personnel's awareness of the environmental and natural resources care.

Left:  
People responsible for the Environmental Management System at Banco Galicia.

## RATIONAL USE OF ENERGY, WATER AND NATURAL GAS

103-2, 103-3, 302-1, 302-4, 302-5,  
ODS 7.2, 7.3, 8.4, 12.2, 12.4, 12.5, 13.1, 16.3

WE MITIGATE THE ENVIRONMENTAL IMPACT OF OUR OPERATIONS FOCUSING ON OUR ENERGY CONSUMPTION.

**2.3%** DECREASE IN THE ELECTRIC POWER CONSUMPTION AT BANCO GALICIA'S MAIN BUILDINGS

Under the framework of its Rational Use of Energy, Water and Gas Program, Banco Galicia surveys the information about the branches' electric consumption. In 2016, with the opening of 19 branches, Banco Galicia managed to survey the information of 89% of total branches.

Galicia Seguros is replacing its lights with other low consumption ones.



## THE GROUP'S SUSTAINABLE BUILDINGS

### GALICIA SQUARE

BANCO GALICIA IS FINISHING THE CONSTRUCTION OF GALICIA SQUARE, A SUSTAINABLE BUILDING THAT SEEKS TO OBTAIN THE LEED CERTIFICATION, A CERTIFICATION SYSTEM OF SUSTAINABLE BUILDINGS DEVELOPED BY THE U.S. GREEN BUILDING COUNCIL.

THE BUILDING HAS THE FOLLOWING CONSTRUCTION CHARACTERISTICS:

- WATER MANAGEMENT: THE PROJECT SEEKS TO REDUCE POTABLE WATER CONSUMPTION BY 30% WITH ITS RAINWATER USE AND STORAGE SYSTEM AND AIR CONDITIONING CONDENSER SYSTEM FOR TOILET FLUSH. PASSIVE ENERGY SAVING STRATEGIES: STRATEGICALLY DESIGNED ANGLED AND ENVELOPING DOUBLE-SKIN FACADES TO BLOCK UP TO 50% OF DIRECT SOLAR RADIATION, REDUCING THE ENERGY CONSUMPTION NECESSARY FOR REFRIGERATING THE BUILDING IN SUMMER AND THE LOSS OF INTERIOR TEMPERATURE IN WINTER. ACTIVE ENERGY SAVING STRATEGIES: VRV-TYPE AIR CONDITIONING SYSTEM AND AUTOMATIC LIGHTING CONTROL SENSORS TO REDUCE THE ESTIMATED ENERGY CONSUMPTION BY 15%.

### CASA NARANJA

TARJETA NARANJA'S MAIN BUILDING HAS FAUCET AERATORS, WHICH ALLOWS SAVING 40% OF WATER. ELEVATORS ARE EFFICIENT SINCE THEY GROUP EMPLOYEES WHO GO TO THE SAME FLOOR TO AVOID UNNECESSARILY MOVING THE ELEVATOR. THE HEATING SYSTEM IS SMART. MOST OF THE YEAR'S DAYS WE HAVE HEATING FOR FREE SINCE THE HOT AIR THAT AIR-CONDITIONING EQUIPMENT BLOWS OUT IS REUSED CONCENTRATING IT THROUGH HOT-WATER RADIATORS.

### SUPPLIES MANAGEMENT – GRUPO FINANCIERO GALICIA - 2015/2016 CONSUMPTION

	UNIT	BANCO GALICIA <sup>36</sup>		TARJETA NARANJA <sup>37</sup>		TARJETA NEVADA <sup>36</sup>		EFECTIVO SÍ <sup>38</sup>		GALICIA SEGUROS	
		2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Natural Gas <sup>39</sup>	m <sup>3</sup>	180,429.37	142,253.9	15,272.9	27,509	0 <sup>40</sup>	0 <sup>40</sup>	Not available	Not available	2,111	577
	GJ	7,036.75	5,547.9	595.6	1,072.9	0 <sup>40</sup>	0 <sup>40</sup>	Not available	Not available	82.33	22.5
Electricity <sup>41</sup>	MWh	54,014.35	51,919.4	5,494	5,954	3,042.62	3,132.11	Not available	Not available	1,301.68	124,803
	GJ	194,451.66	186,909.8	19,778.4	21,434.4	10,953.4	11,275.6	Not available	Not available	4,686.05	449,290.8
Automotives Gas oil <sup>42</sup>	L	8,906	22,284.5	10,870	1,700	60	120	Not available	Not available	7,551	2,735
	GJ	324.18	811.2	395.7	61.9	2.18	4.37	Not available	Not available	274.86	99.55
Gasoline <sup>43</sup>	MWh	2.332	52	40	0 <sup>44</sup>	0	0 <sup>44</sup>	Not available	Not available	0	0
	GJ	76.96	1.7	1.3	0 <sup>44</sup>	0	0 <sup>44</sup>	Not available	Not available	0	0

## BANCO GALICIA'S ENERGY SAVING PROJECT

103-2, 103-3, 302-3, 302-5,  
ODS 7.3, 8.4, 12.2, 12.4, 12.5, 13.1, 16.3

**8%** IMPROVEMENT IN ENERGY EFFICIENCY OF BRANCHES SURVEYED IMPROVING THE EFFICIENCY AT 214 KW/M2/YEAR IN 2016

Since 2013, Banco Galicia has been developing the Energy Saving Project in order to reduce its energy consumption and minimize greenhouse gas emissions.

In 2016, the Bank's goal was to reduce the general average energy intensity<sup>45</sup>, as compared to the prior year. For such purpose, several preventive measures and actions were implemented, which allow saving the electric power consumption and meeting the commitments proposed.

In addition to the work Banco Galicia has been conducting for prior years at its Branches, there are programmed switch-off and switch-on controls of outer signs, IT equipment, regulations regarding the cleaning of sidewalks, institutional signs with LED lighting and the use of solar control films or curtains. In 2016, the following actions were introduced:

- Equipment control through FACILITY, created for the equipment maintenance and cleaning. It is structured based on a document with penalties to ensure this compliance.
- Equipment set point regulation at 24°C.
- Gradual replacement of air-conditioning equipment with ecological gas at the Bank's branches.
- Awareness of energy care.
- Gradual lighting replacement by LED lamps.

### ENERGY EFFICIENCY AT BRANCHES

2015 Average Energy Intensity	232	kW/m <sup>2</sup> /year
2016 Average Energy Intensity	214	kW/m <sup>2</sup> /year

In turn, during 2016, tests in office areas at the Bank's main buildings were performed with different LED lighting alternatives to implement the full lighting replacement project in 2017.

### ENERGY EFFICIENCY AT MAIN BUILDINGS

2015 Average Energy Intensity	311	kW/m <sup>2</sup> /year
2016 Average Energy Intensity	295	kW/m <sup>2</sup> /year

36. Scope: Main buildings and branches.

37. Scope: Main buildings

38. Efectivo Sí has no available data to report.

39. 1 m3 of natural gas is equal to 0.0390 GJ.

40. Buildings have no gas connection or devices requiring gas consumption.

41. 1 MWh is equal to 3.6 GJ.

42. 1 liter of gas oil is equal to 0.0364 GJ.

43. 1 liter of gasoline is equal to 0.0330 GJ.

44. There are no gasoline-fueled generators at main buildings.

45. Energy intensity is an average energy measurement, reflecting energy consumption according to the activity level or area.





## RESOURCE OPTIMIZATION

103-2, 103-3, 301-1, ODS 16.3

### Waste Management

AT ALL THE GROUP'S COMPANIES, WE MANAGE WASTE TREATMENT AND USE OF OFFICE SUPPLIES THAT HAVE A MATERIAL ENVIRONMENTAL IMPACT.

**4.700** KG OF PLASTIC DERIVED FROM BANCO GALICIA'S RECYCLED CREDIT CARDS

IN 2016, BANCO GALICIA IMPLEMENTED AT ALL ITS MAIN BUILDINGS A NEW WASTE SEPARATION SYSTEM, PLACING TRIPLE SORTING ISLANDS DISTRIBUTED BY FLOOR, THUS INTRODUCING THE FOLLOWING MATERIALS INTO ITS RECYCLING PROGRAM: PLASTICS, GLASSES, METALS AND TETRA PACKAGING.

**Plastic Recycling:** In addition to recycling islands at floors, Banco Galicia continues helping Fundación Garrahan (Garrahan Foundation) to collect plastic bottle caps for its Recycling Program. The amount of 634 kg of plastic bottle caps was collected in 2016. Efectivo Sí also collects for Fundación Garrahan: 137 kg of plastic bottle caps were reached this year. In 2016, Tarjeta Naranja managed to collect 672 kg of bottle caps, which were donated to several organizations engaged in promoting the life quality of children who suffer health problems. At Galicia Seguros, 20 plastic bags were collected weekly, which are donated to Cooperativa Nuevo Amanecer.





**Destruction and Recycling of Cards:**

During 2016, 4,700 kg of plastic derived from Banco Galicia's disused credit cards were delivered to REVERDER for the appropriate final disposal by destroying and recycling unused cards for different manufacturing processes. Additionally, at Tarjeta Naranja all those cards printed with errors or that are not withdrawn by customers are sent to be destroyed to a pyrolitic oven of clean combustion, protecting the customers' data and mitigating the environmental impact.

**Electronic Waste:** In 2016, Banco Galicia disposed of 64,927 kg of electronic waste through a specialized supplier and donated 4,216 assets to social organizations through Fundación Banco Galicia.

Tarjeta Naranja delivered 824 pieces of electronic equipment for SCRAP totaling Ps. 15,364. Also, 70 pieces of technological equipment in good conditions were donated to homes, schools, foundations and Universidad Tecnológica Nacional de Córdoba.

Efectivo Sí continues donating technological material to Asociación Civil María de las Cárceles, which, by means of the Second Possibility Program, is in charge of training inmates of Prison No. 32 in Florencio Varela teaching them to repair and put computers in good conditions so that they may be later donated to needy schools.

Tarjeta Nevada donated 70 pieces of electronic equipment to Kindergarten No. 0-132 Poletti in the City of Maipú and CIMAR organization in the City of Luján. All those pieces of waste electrical and electronic equipment are sent to a supplier for their recycling. The amount of 1,149 kg of such waste was delivered in 2016. Furthermore, Galicia Seguros' electronic waste is delivered to OIKOSCRAP S.A. for its final disposal.

**Special Waste:** 576 kg of lamps and fluorescent tubes, 190 tons of special waste of the Corporate Tower, Head Office and building located at Perón 518 were disposed of at Banco Galicia, and 680 liters of vegetable oils used were delivered for their treatment and final disposal to specialized companies.

**Toner Cartridges Waste:** This year 1,711 cartridges were returned to the Bank's suppliers, who reused them to manufacture new cartridges, avoiding the consumption of more resources. Efectivo Sí and Galicia Seguros returned empty toners for their recycling to Canal Directo. Galicia Seguros collected and sent 182 cartridges. New toners are currently used at Tarjeta Nevada's five printing centers. Once used up, they will be delivered to a company engaged in the sustainable waste management. Tarjeta Naranja used 775 remanufactured cartridges.

**Organic Waste:** Efectivo Sí continues with the In-house Compost Program thanks to the cooperation of Head Office's employees who separate organic waste in differentiated containers, which are reused as fertilizers.

**TARJETA NEVADA'S 2016 RECYCLING CAMPAIGN**

UNDER THE CHARGE OF VOLUNTEERS, TARJETA NEVADA CARRIES OUT ACTIONS RELATED TO THE USE AND RECYCLING OF PAPER UNDER THE MOTTO "REDUCIR Y RECICLAR" (REDUCE AND RECYCLE). MORE THAN 50 BRANCHES TOOK PART IN RECYCLING PAPER, WHICH WAS THEN SOLD TO THE PAPER RECYCLING COMPANY

**ANNUAL 2015/2016 CONSUMPTION**

Indicator	Unit	Banco Galicia		Tarjeta Naranja		Tarjeta Nevada		Efectivo Sí		Galicia Seguros	
		2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Printer Cartridges		5,887	4,493	4,669	4,776	2,132	2,332	19	56	114	182

## MANAGEMENT OF OFFICE SUPPLIES

103-2, 103-3, 301-1, 301-2, ODS 8.4, 12.2, 16.3

Paper and printer cartridges are office materials mostly used in our daily activities. To minimize the consumption of both resources and dispose of them responsibly, we continued working with different initiatives in 2016:

**Certified Paper and Printer Cartridges Consumption:** At all the Group's companies, we only use FSC certified paper or sugarcane bagasse both for internal use and for credit card statements and self-service terminals. In 2016, Tarjeta Naranja replaced its printers with new multifunction ones in order to achieve efficiency, since it allows printing a larger number of copies by toner and double-sided printouts, among others.

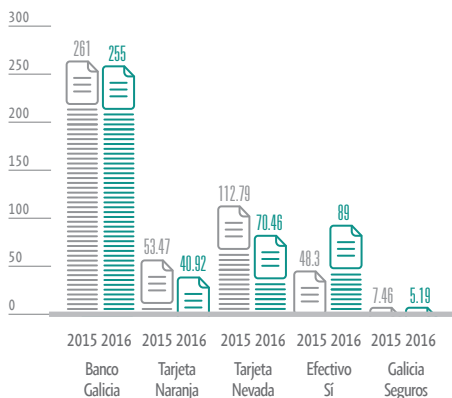
**TARJETA NARANJA'S CONVIVIMOS MAGAZINE IS ONE OF THE MAGAZINES WITH THE LARGEST CIRCULATION IN ARGENTINA, WHICH IS PRINTED IN PAPER CERTIFIED WITH PEFC SEAL AND WITH THE FSC SEAL SINCE FEBRUARY 2017.**

**Reusable Envelope Consumption:** At Banco Galicia, during 2016, 239,451 envelopes with a six-box format were used, which represent a 5% decrease, as compared to 2015. Efectivo Sí only purchases reusable envelopes made with recycled paper.

**Bag Consumption:** In 2016, Banco Galicia used 664,565 oxo-biodegradable polyethylene bags to carry internal documentation. Tarjeta Naranja purchased 400,000 100% recyclable vliesilene bags that replaced paper ones.

- Efectivo Sí collects paper and delivers it to Fundación Garrahan.
- Tarjeta Naranja collects and sells disused paper of branches and central areas. In 2016, 60,686 kg of disused paper were sold, which entailed revenues amounting to Ps. 44,855, which were aimed at social programs.
- Paper collection boxes were placed at Tarjeta Nevada's offices and branches so that employees may contribute to the recycling fostered by the company.

### WHITE PAPER CONSUMPTION - TONS



### PAPER RECYCLING AT EACH COMPANY

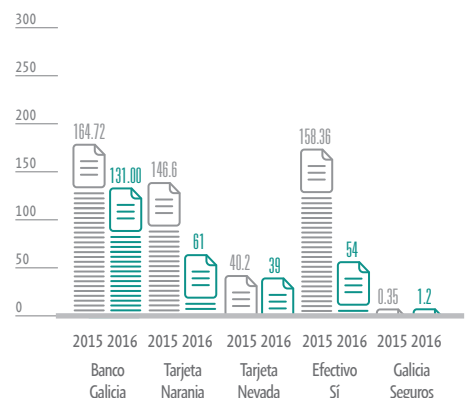
Banco Galicia continues encouraging to recycle paper used daily. Also, paper derived from filing is recycled totaling 131 tons during the year.

### ECOLOGICAL TICKET AT TARJETA NEVADA

THIS YEAR, TARJETA NEVADA REPLACED WHITE PAPER WITH THERMAL PAPER TO PRINT THE ACCOUNT STATEMENTS OF CUSTOMERS WHO CAME TO PAY AT THE BRANCHES OF THE CITY OF MENDOZA. THROUGH THE USE OF A THERMAL PRINTER, A MORE ECOLOGICAL PRINTING WAS ACHIEVED, SINCE NEITHER INK NOR TONER IS USED. WE BELIEVE THAT THIS EQUIPMENT WILL REACH THE REST OF OUR BRANCHES IN 2017.



### RECYCLED PAPER - TONS



## ENVIRONMENTAL AWARENESS

WE PROMOTE INITIATIVES AND ACTIVITIES RELATED TO THE EFFICIENT USE OF NATURAL RESOURCES AMONG OUR EMPLOYEES TO IMPROVE THE GROUP'S ENVIRONMENTAL PERFORMANCE

ACCORDING TO THE "GREAT PLACE TO WORK" SURVEY, THIS YEAR, AT BANCO GALICIA 93% OF EMPLOYEES ASSERTED THEY KNEW ABOUT THE RESPONSIBLE MANAGEMENT OF THE BANK'S ENVIRONMENTAL ASPECTS, A 4% INCREASE, AS COMPARED TO DATA GATHERED IN 2015.

At Banco Galicia, the main initiatives carried out for the Environmental Awareness Program were:

- Visits to Banco Galicia's Corporate Tower: In 2016, all the newly-hired employees visited the Tower. Accordingly, a greater awareness of environmental aspects and impacts of its activities was encouraged.
- 8th Edition of the Environmental Drawing Contest: In order to make children aware of environmental matters and for them to learn about the bird preservation of our country, Banco Galicia invited its employees' children and school children of the Region-Based Interactive Assistance Program (Programa Interactivo de Ayuda por Regiones - PRIAR) to take part in the drawing contest. This year 440 kids participated in this contest.

- Environmental Management Online Courses: In 2016, 590 employees of Banco Galicia increased their knowledge in applying the ISO 14001 Standard.
- Reduction of the Use of Plastic Glasses: Banco Galicia continued with the Ecovasos (Eco-glass) campaign, encouraging its employees to use reusable glasses or cups instead of disposable glasses. As a result, the number of plastic glasses used at coffee machines of the Corporate Tower decreased by 12.26%, as compared to last year. In turn, Tarjeta Naranja is working on the reduction of the use of plastic glasses.
- Natural Resources Care Awareness Campaign: Like every year, on the International Environment Day, Banco Galicia invites all employees to take part in a Trivia aimed at preserving the natural resources of our country.  
  
At Tarjeta Nevada we invite each branch to carry out an environmental awareness-related activity at a local center or school. The total number of 32 volunteers, who donated 12.30 work hours, took part in this activity.
- Banco Galicia's Volunteering Activity along with PRIAR: This year an activity was performed at Cottolengo Don Orione, in Claypole, Buenos Aires, where PRIAR volunteers of the Bank's Management and Security Division, in alliance with Fundación Huerta Niño (Children-Orchard Foundation),

built a greenhouse and reconditioned flower beds with orchards that will allow contributing to the training and food supply of Cottolengo, which houses 380 persons with intellectual disabilities.

- New Waste Separation System Awareness Campaign: Banco Galicia carried out an activation at all main buildings where 986 employees signed their commitment to the environment and the waste separation.

At Tarjeta Nevada communication by electronic means increased, with the consequent decrease in travel and, therefore, energy consumption and environmental pollution.

At Galicia Seguros, ecological bags were distributed to employees to discourage the use of plastic bags in their purchase habits. Additionally, employees and cleaning personnel were trained in waste separation and a competition by floor took place, with sustainable prizes.



Zucán. fácilmente reconocible por su pico largo y colorido, asociado con la selva y el ambiente tropical. Pesa de 130 a 680 gramos y mide de 29 a 63 centímetros.



Winning drawings of the Environmental Drawing Contest, Delfina Espasandín, 10 years, Diego Espasandín's daughter

Kevin Alejandro Nuñez, 5th grade, Brigido Teran School, Abril Vassallo, 10 years, Alan P. Vassallo's daughter

## INDIRECT RISKS MANAGEMENT AT BANCO GALICIA

201-2, ODS 13.1

**121** INVESTMENT PROJECTS OF CUSTOMERS ANALYZED AS REGARDS SOCIAL AND ENVIRONMENTAL MATTERS

**1,745.1** MILLION PESOS INVOLVED

In 2016, Banco Galicia continued with the indirect risks management of its activity. To such end, this year the focus was placed on performing actions to increase the tasks of the Bank's Credits area, disseminate the importance of this type of assessment and reduce the risk.

After having applied the environmental analysis during the year to the funded projects, as the internal policy requires (credit lines from international organizations, long-term transactions, whose amount exceeds Ps. 5 million), the results were as follows:

### EVOLUTION IN NUMBER AND AMOUNT OF PROJECTS

	2014	2015	2016
Amount (in Millions of Pesos)	817.1	1,176.3	1,745.1
Number of Projects	156	107	121

### EVOLUTION IN NUMBER AND AMOUNT OF PROJECTS

	SHARE - AMOUNT			SHARE - NUMBER		
	2014	2015	2016	2014	2015	2016
Primary Production	22%	14.23%	23.10%	32.05%	20.56%	24.79%
Manufacturing Industry	37.2%	32.05%	34.04%	26.92%	33.64%	33.06%
Construction	5.12%	7.78%	16.31%	6.41%	5.61%	10.74%
Wholesalers	3.95%	6.42%	5.52%	7.69%	4.67%	6.61%
Retailers	11.26%	9.71%	7.07%	5.13%	11.21%	6.61%
Services	20.45%	29.81%	13.94%	21.79%	24.3%	18.18%

SECTOR	AMOUNT IN PESOS	NUMBER
Primary Production	403,268	30
Manufacturing Industry	594,152	40
Construction	284,700	13
Wholesalers	96,259	8
Retailers	123,500	8
Services	243,250	22
Total	1,745.1	121



Chiara Miranda, 4th grade, 669 Manuel Belgrano School.  
Catalina Gómez, 12 years, Fernando P. Gómez's daughter

Renata Fabbri, 7 years, Leonel E. Fabbri's daughter.  
Felipe Villanustre, 6 years, Luciano Villanustre's son

Ayrton Bamba, 1st grade, 669 Manuel Belgrano School.  
Guillermina Aroldo, 5 years, Diego Aroldo's daughter

## Equator Principles

Banco Galicia is the only Argentine bank that has adhered to this voluntary international financial initiative since 2007, which proposes guidelines to analyze financing for investment projects.

To award them, the Bank contemplates the analysis of environmental and social aspects, and establishes its rating in three risk categories: high, medium and low.

Due to the type and/or size of the projects financed, during 2016 there were no cases that met the conditions required to apply these principles.

THIS YEAR BANCO GALICIA'S SUSTAINABILITY MANAGEMENT AND CREDIT AREA WERE PRESENT AGAIN AT THE 2016 ANNUAL MEETING OF EQUATOR PRINCIPLES IN LONDON TO KNOW AND SHARE THE PROGRESS MADE AS REGARDS ENVIRONMENTAL RISK ANALYSIS. 107 MEMBERS OF 53 BANKS FROM THE FIVE CONTINENTS TOOK PART IN THIS MEETING.

46. Although Tarjeta Nevada and Efectivo Si have some environmental expenses, they do not have a formal budget yet.  
47. Tarjeta Naranja's expenses and investments are related to: 1) Safe removal and disposal of waste generated at the warehouse by area activities including packaging and disassemblies; 2) Safe destruction and treatment of plastic cards that are printed erroneously or are not withdrawn by customers; 3) Sending for recycling and safe destruction of pallets of cartridge casings; 4) Recycling and final disposal of technological waste.

## ENVIRONMENTAL EXPENSES

201-1, 201-2, ODS 7A, 7B, 8.1, 13.1

### Breakdown of Total Environmental Expenses and Investments, by Type

#### ENVIRONMENTAL EXPENSES AND INVESTMENTS (AMOUNT IN PESOS)<sup>46</sup> - 2016

	Banco Galicia + Tarjeta Naranja <sup>47</sup> + Galicia Seguros
Waste Disposal, Treatment of Emissions and Environmental Remediation Costs	863,026.82
Prevention and Environmental Management Costs Related to the Bank's Operations	1,926,503.82
Prevention and Environmental Management Costs Related to Projects External to the Bank	2,390,911.76
<b>Total Environmental Expenses and Investments</b>	<b>5,180,442.40</b>



**ENVIRONMENT  
PRESERVATION FUND,  
BIODIVERSITY AND  
BIRD PRESERVATION  
7TH EDITION<sup>48</sup>**

**81** PROJECTS RECEIVED

**20** PROVINCES REPRESENTED  
THROUGH THE PARTICIPATING  
INSTITUTIONS

**5** WELL-KNOWN SPECIALISTS WERE  
APPOINTED AS PANEL OF JUDGES

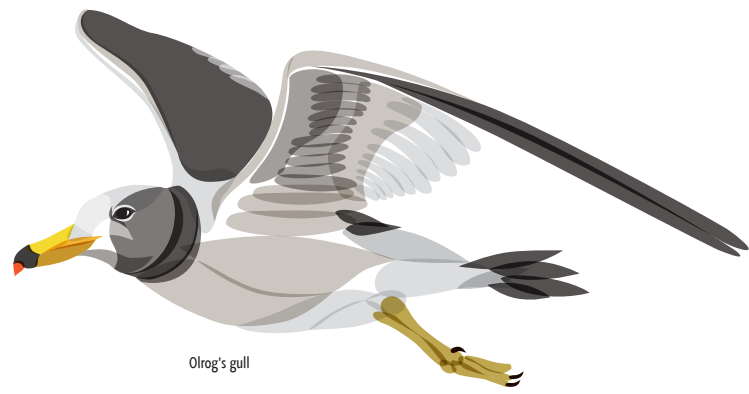


Black-collared hawk

The Environment Preservation Fund (FOCA) was created in 2010 to finance research projects to preserve the environment, thus contributing to a real development of the scientific knowledge and directly to global sustainability.

The 7th edition of FOCA was launched in 2016, where researchers and CSOs presented 81 projects about biodiversity and bird preservation. This initiative has the institutional support of the Ministry of Environmental and Sustainable Development and the National Parks Administration.

The topics proposed by Banco Galicia for this edition refer to the fact that at present about 10% of birds in Argentina are threatened and part of their environments are being lost. The main issues birds face are: loss and change of habitats, the interaction with invasive exotic species, the environmental pollution, poaching and, particularly for this group, the mortality caused by the interaction with fishing and the capture of specimens for their sale.



Olrog's gull

Like every year, the panel of judges, made up of researchers of the topic mentioned above, chose five winning projects and five projects received special mentions. Out of the latter, one of them won the *Votá y Contribuí* (Vote and Contribute) campaign, where the Bank's employees selected the sixth project to finance using the funds collected through the sale of paper recovered from the offices and recycled. The winning project was "Iniciativa nacional para la conservación y manejo del Maitú, una especie clave en los bosques del noreste de Argentina" (National Initiative for the Preservation and Management of the Bare-faced Curassow, a Key Species in the Northeast Forests of Argentina). In 2016, Banco Galicia also launched the analysis of the 2014 fifth Edition and main results of the projects funded

through FOCA under the topic *Pérdida de Biodiversidad en Argentina* (Loss of Biodiversity in Argentina). This is the fifth volume of a series of collectable volumes that will be launched as from the second year of granting the funds, when the projects of each edition are concluded with the results of the work done.



**WINNING PROJECTS:**

- **Mammals Introduced in the Insular Area of the South Patagonia Interjurisdictional Sea Coast Park (Chubut) and the Related Possible Impact on the Populations of Seabirds**, by Sofia Alderete, Graduate in Biological Sciences from Universidad Nacional de la Patagonia San Juan Bosco.
- **Genetic and Behavior Analyses to Maximize the Success of Reintroducing Yellow Cardinals (*Gubernatrix cristata*) Confiscated**, by Bettina Mahler, Doctor in Biological Sciences from Universidad de Buenos Aires. Adjunct researcher at CONICET.
- **Preservation of the Black-collared Hawk (*Buteogallus coronatus*) in Semiarid Environments of Central Argentina**, by José Hernán Sarasola, Doctor in Biology, Department of Plant Biology and Ecology, Universidad de Sevilla. Director of CECARA and Adjunct Researcher of CONICET.
- **The Role of Local Communities in the Preservation of Threatened Species: the Olrog's Gull as a Case Study**, by Germán García, Doctor in Sciences (Biology area). Assistant researcher at CONICET
- **Determining the Effective Area of Action of the Military Macaw (*Ara Militar*) in Argentina**, by Germán Marateo, Bachelor's Degree in Biology with Zoology orientation. Doctor in Natural Sciences from UNLP.
- **National Initiative for the Preservation and Management of the Bare-faced Curassow, a Key Species in the Northeast Forests of Argentina**, by Sofia Zalazar, winner of the *Votá y Contribuí con la Conservación Ambiental* (Vote and Contribute to the Environment Preservation) campaign.

47. To learn about FOCA 2016's panel of judges and special mentions, please visit [galiciasustentable.com/2016/IA/IA](http://galiciasustentable.com/2016/IA/IA)



Yellow cardinal

White-headed flightless steamer duck

Military macaw

## Primary Performance Indicators (IBASE)

102-7, 103-2, 103-3, 201-1, 201-3, ODS 7A, 7B, 8.1, 16.3

2016

<b>Basis for the Calculation</b>	<b>Amount (in Pesos)</b>		
Net Income (NI)	6,018,000,000.00		
Net Operating Income (NOI)	27,115,000,000.00		
Gross Payroll (GP)	5,787,058,531.96		
<b>Internal Social Indicators</b>	<b>Amount (in Pesos)</b>	<b>% of GP</b>	<b>% of NOI</b>
Mandatory Social Security Contributions	1,298,739,166.56	22.44	4.79
Health	46,250,014.63	0.80	0.17
Education	2,058,240.00	0.04	0.01
Culture	19,594,543.00	0.34	0.07
Professional Development and Training	50,844,662.01	0.88	0.19
Child Care Centers and Assistance for Child Care	27,956,783.00	0.48	0.10
Total Internal Indicators	1,445,443,409.20	24.98	5.33
<b>External Social Indicators</b>	<b>Amount (in Pesos)</b>	<b>% of GP</b>	<b>% of NOI</b>
Education	20,681,619.95	0.36	0.08
Labor Promotion	3,699,278.67	0.06	0.01
Health and Social Inclusion	10,770,864.93	0.19	0.04
Corporate Volunteering	919,897.54	0.02	0.00
Restoration of Cultural Heritage	985,000.00	0.02	0.00
Institutional Support	3,166,331.17	0.05	0.01
Total Contribution to the Society	40,222,992.26	0.70	0.15
Taxes (Excluding Social Security Contributions)	10,284,630,178.24	177.72	37.93
Total External Indicators	10,324,853,170.50	178.41	38.08
<b>Environmental Indicators</b>	<b>Amount (in Pesos)</b>	<b>% of GP</b>	<b>% of NOI</b>
Total Investments in the Environment	5,180,442.40	0.09	0.02
<b>Indicators Regarding Staff</b>			
Number of Employees at the End of the Fiscal Year	11,686		
Number of Admissions During the Fiscal Year	1,324		
Turnover Ratio (%)	11.90		
Number of Employees of More than 45 Years	1,436		
Number of Women Employees	6,453		
Percentage of Managerial Positions Filled by Women	16		
<b>Relevant Information Regarding CSR</b>			
Total Work-related Accidents	176		
Social and/or Environmental Projects Were Defined by (Areas Involved in the Definition)	Sustainability Division, CSR Division and Human Resources Division of the Companies TN: Social Responsibility Jointly with Management		
The Standards Regarding Health and Safety in the Workplace Were Defined by (Areas Involved in the Definition)	Directors and Managers		
As Regards Union-related Issues and Collective Bargaining, the Group...	Follows the Guidelines of the ILO		
Days Away from Work Due to Strikes	0		
Number of Union Representatives	135		
When Choosing Suppliers, the Same Standards regarding Ethical, Environmental and Social Responsibility as the Group's:	Are Required in Different Degrees Depending on the Company		
In the Case of Employees Involved in Voluntary Activities, the Group...	Provides Support and Encouragement		
<b>Total Added Value (Figures Stated in Thousands of Pesos)<sup>49</sup></b>			
Total Added Value	29,120,284.00		
Value Obtained by Shareholders Reinvested in the Company	0.00		
Net Added Value	29,120,284.00		
Added Value Distributed			
- Government (Taxes)	8,691,238.00		
- Shareholders' Dividends	0.00		
- Reinvestment of Income <sup>50</sup>	10,679,980		
- Employees <sup>51</sup>	9,749,066		

49. The total added value represents, in monetary terms, the wealth created by the Group which is distributed among the different stakeholders. Thus, employees receive part of the added value through the compensation they are paid, social security contributions and benefits granted; the State receives part of it through taxes, assessments and rates received; and shareholders through distribu-

tion of profits. The Group reinvests part of the added value it created, allocating it to maintain and/or increase the ability to create wealth and investing in the community.

50. It includes the reinvestment of income and fiscal year gains and losses net of cash dividends.

51. It includes Administrative Services Hired.

# GRI Content Index

102-55

We prepared the following Content Index of Global Reporting Initiative (GRI) Standards, based on the information published in this document. The Sustainability Report was prepared pursuant to the "In accordance" Core option requirements established by the GRI Standards, assured by PWC

Argentina. Furthermore, GRI performed an assurance on the GRI Content Index Service52. In addition, Banco Galicia submits the 2016 Communication on Progress (COP) in compliance with the ten principles of the United Nations Global Compact.

52. GRI does not assure these Indicators' content but their proper inclusion into the GRI Content Index Service and into this Sustainability Report.



## GRI Standards

GRI Standard	Indicators	Page/Direct Answer	Omission	Sustainable Development Goals (SDG)	
<b>GENERAL DISCLOSURES</b>					
GRI 102: General Disclosures 2016	102-1	Name of the organization.	12		✓
	102-2	Activities, brands, products and services.	12, 14-15, 22-23		✓
	102-3	Location of the organization's headquarters.	Buenos Aires, Argentina		✓
	102-4	Location of operations	14-15, 23 GFG does not carry out significant activities abroad		✓
	102-5	Ownership and legal form	12		✓
	102-6	Markets served	12, 14-15, 22-23		✓
	102-7	Scale of the organization	13, 91		✓
	102-8	Information on employees and other workers	42 The division by type of contract was replaced by position because of being more significant	8.5	✓
	102-9	Supply chain	74		✓
	102-10	Significant changes to the organization and its supply chain	No significant changes were made		✓
	102-11	Precautionary principle	18, 80		✓
	102-12	External initiatives	39, 59, 61, 65, 67		✓
	102-13	Membership of associations	33, 39		✓
	102-14	Provide a statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	4-5, 7		✓
	102-15	Provide a description of key impacts, risks and opportunities	4-5, 7, 10-11		✓
	102-16	Values, principles, standards and norms of behavior	10-12, 14-15, 39, 73, 75, 81	16.3	✓
	102-17	Mechanisms for advice and concerns about ethics	12, 73	16.3	✓
	102-18	Governance structure	16-17		✓
	102-19	Delegating authority	16-17		✓
	102-20	Executive-level responsibility for economic, environmental and social topics	16		✓
	102-21	Consulting stakeholders on economic, environmental and social topics	8-9 Consultation is made under the framework of preparation of this Report and shared with the corporate governance	16.7	✓
	102-22	Composition of the highest governance body and its committees	16-17	16.7	✓
	102-23	Chair of the highest governance body	16	16.6	✓
	102-25	Conflicts of interest	12, 17, 75	16.6	✓
	102-26	Role of highest governance body in setting purpose, values and strategy	16-17		✓
	102-27	Collective knowledge of highest governance body	17	4.7	✓
	102-28	Evaluating the highest governance body's performance	17 The evaluation is annual and does not involve external parties		✓
	102-29	Identifying and managing economic, environmental and social impacts	10-11 The Executive Committee defines the strategic focuses and sustainability goals, and nurtures itself from surveys and studies about stakeholders. (See pages: 8-9, 25, 43)	16.7	✓
	102-30	Effectiveness of risk management processes	16-18		✓
	102-31	Review of economic, environmental and social topics	10-11 Strategic focuses and material topics are reviewed annually		✓
	102-32	Highest governance body's role in sustainability reporting	The Chief Executive Officer and the Executive Committee review, approve and are responsible for the Sustainability Report		✓
	102-33	Communicating critical concerns	The corporate governance knows the stakeholders' opinions, claims and expectations from the Area Managers		✓
	102-34	Nature and total number of critical concerns	25 The stakeholders' statements that may have an impact on the business or any key audience are considered "critical concerns"		✓
	102-40	List of stakeholder groups	11		✓
	102-41	Collective bargaining agreements	95.35% of employees covered by collective bargaining agreements	8.8	✓
	102-42	Identifying and selecting stakeholders	See 2012 Banco Galicia's Report "http://www.galiciasustentable.com/informe_RSC/2012/informe/index.html"		✓
	102-43	Approach to stakeholder engagement	8-9, 24-25, 36-37, 43, 49, 57, 75		✓
	102-44	Key topics and concerns raised	25, 57		✓
	102-45	Entities included in the consolidated financial statements	Banco Galicia, Tarjeta Naranja, Tarjeta Nevada, Efectivo Sí and Galicia Seguros		✓
	102-46	Defining report content and topic boundaries	8-9		✓
	102-47	List of material topics	10-11		✓
	102-48	Restatements of information	No significant changes were made		✓
	102-49	Changes in reporting	No significant changes were made		✓
	102-50	Reporting period	Year 2016		✓
	102-51	Date of most recent report	Year 2015		✓
	102-52	Reporting cycle	Annual		✓
	102-53	Contact point for questions regarding the report	96		✓
	102-54	Claims of reporting in accordance with the GRI Standards	This Report was prepared pursuant to the "In accordance" Core option requirements established by the GRI Standards		✓
	102-55	GRI content index	92-94		✓
	102-56	External assurance	95		✓
<b>MATERIAL TOPICS</b>					
<b>Economic Performance</b>					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	9-11		✓
	103-2	The management approach and its components	4-5, 10-11, 13, 91	16.3	✓
	103-3	Evaluation of the management approach	4-5, 10-11, 13, 91		✓
GRI 201: 2016 Economic Performance	201-1	Direct economic value generated and distributed	13, 89, 91	7.a. - 7.b. - 8.1	✓
	201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change	88-89 No financial implications due to climate change have occurred at the Group's companies	13.1	✓
	201-3	Coverage of the organization's defined benefit plan obligations	13, 91 In addition to the defined benefit plan established by Labor Law,		✓



**Estándares GRI**

GRI Standard	Indicators	Page/Direct Answer	Omission	Sustainable Development Goals (SDG)
		there is no independent fund for such purpose at the Group's companies for their employees		
	201-4	Financial assistance received from government	No financial assistance was received from the Argentine government	✓
<b>Market Presence</b>				
GRI 103: Management	103-1	Explanation of the material topic and its boundary	9-11	✓
Approach 2016	103-2	The management approach and its components	4-5, 10-11, 13, 91	16.3 ✓
	103-3	Evaluation of the management approach	4-5, 10-11, 13, 91	✓
GRI 202: Presencia en el mercado	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	The standard entry level wage exceeds the minimum wage by 87%, on average, of GFG's companies	1.1 - 8.5 ✓
2016	202-2	Proportion of senior management hired from the local community at significant locations of operation	100% of Area Directors and Managers are Argentine. The Group's companies have an employment policy where local hiring is preferred, provided that the requirements for the job position are met	8.5 ✓
<b>Procurement Practices</b>				
GRI 103: Enfoque de Gestión 2016	103-1	Explanation of the material topic and its boundary	9-11	✓
	103-2	The management approach and its components	4-5, 10-11, 74-77	16.3 ✓
	103-3	Evaluation of the management approach	4-5, 10-11, 74-77	✓
GRI 204: Prácticas de adquisición 2016	204-1	Proportion of spending on local suppliers at significant locations of operation	74-75 We seek to have local suppliers that support branches and offices in each province. This is reflected in the geographic distribution of suppliers by province	12.7 ✓
<b>Anticorrupción</b>				
GRI 103: Management	103-1	Explanation of the material topic and its boundary	9-11	✓
Approach 2016	103-2	The management approach and its components	4-5, 10-12, 18-19	16.3 ✓
	103-3	Evaluation of the management approach	4-5, 10-12, 18-19, 75	✓
GRI 205: Anti-corruption 2016	205-1	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	18-19 All business units of the Group's companies are analyzed as to corruption	16.5 ✓
	205-2	Communication and training about anti-corruption policies and procedures	12, 18-19, 75	16.5 ✓
	205-3	Confirmed incidents of corruption and actions taken	There were no incidents	16.5 ✓
<b>Materials</b>				
GRI 103: Management	103-1	Explanation of the material topic and its boundary	9-11	✓
Approach 2016	103-2	The management approach and its components	10-11, 80-81, 84-86	16.3 ✓
	103-3	Evaluation of the management approach	10-11, 80-81, 84-86	✓
GRI 301: Materials 2016	301-1	Materials used by weight or volume	84-86	✓
	301-3	Percentage of products sold and their packaging materials that are recovered at the end of their useful life, by category of products.		Not applicable. As the Group's activities are related to financial services, their companies do not market products that allow calculating the indicator 8.4 - 12.2 - 12.5 ✓
<b>Energy</b>				
GRI 103: Management	103-1	Explanation of the material topic and its boundary	9-11	16.3 ✓
Approach 2016	103-2	The management approach and its components	10-11, 80-83	✓
	103-3	Evaluation of the management approach	10-11, 80-83	✓
GRI 302: Energy 2016	302-1	Energy consumption within the organization	82	7.2 - 7.3 - 8.4 - 12.2 - 13.1 ✓
	302-3	Energy intensity	83	Banco Galicia only currently reports this indicator 7.3 - 8.4 - 12.2 - 13.1 ✓
	302-4	Reduction of energy consumption	82	7.3 - 8.4 - 12.2 - 13.1 ✓
	302-5	Reductions in energy requirements of products and services	82-83	7.3 - 8.4 - 12.2 - 12.4 - 12.5 - 13.1 ✓
<b>Employment</b>				
GRI 103: Management	103-1	Explanation of the material topic and its boundary	9-11	✓
Approach 2016	103-2	The management approach and its components	10-11, 43-44, 52	16.3 ✓
	103-3	Evaluation of the management approach	10-11, 43-44, 52-53	✓
GRI 401: Employment 2016	401-1	Number and rate of new employee hires and employee average turnover	42	8.5 - 8.6 ✓
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	52-53	8.5 ✓
	401-3	Maternity or parental leave	850 employees took leave 809 employees who continued working after their leave	8.5 ✓
<b>Labor/Management Relations</b>				
GRI 103: Management	103-1	Explanation of the material topic and its boundary	9-11	✓
Approach 2016	103-2	The management approach and its components	10-11, 44	16.3 ✓
	103-3	Evaluation of the management approach	10-11, 44	✓
GRI 402: Labor / Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Notice periods are pursuant to Argentine labor laws and correspond with the change level of the person in relation to his/her new job position and location	8.8 ✓
<b>Training and Education</b>				
GRI 103: Management	103-1	Explanation of the material topic and its boundary	9-11	✓
Approach 2016	103-2	The management approach and its components	10-11, 50-51	16.3 ✓
	103-3	Evaluation of the management approach	10-11, 50-51	✓
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee by gender, and by employee category	51	4.3 - 4.4 - 4.5 - 8.5 ✓
	404-2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	50-53	8.5 ✓
	404-3	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	98%, on average, for GFG's companies: 60% men, 40% women	8.5 ✓
<b>Diversity and Equal Opportunity</b>				
GRI 103: Management	103-1	Explanation of the material topic and its boundary	9-11	✓
Approach 2016	103-2	The management approach and its components	10-11, 46	16.3 ✓
	103-3	Evaluation of the management approach	The respect for people and the fight against discrimination are a core part of our Human Resources management 10-11, 46	✓

## GRI Standards

GRI Standard	Indicators	Page/Direct Answer	Omission	Sustainable Development Goals (SDG)		
GRI 405: Diversity and Equal Opportunity 2016	405-1	Composition of governance bodies and breakdown of employees by professional category and gender, age, minority group membership and other diversity indicators.	16-17, 42, 46		8.5	✓
	405-2	Ratio of basic salary of women to men, broken down by professional category and by significant location of operation.	The Group's companies do not make any difference between men's and women's salary under equal labor conditions		8.5 - 10.2	✓
<b>Freedom of Association and Collective Bargaining</b>						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	9-11			✓
	103-2	The management approach and its components	8, 10-11, 43, 75		16.3	✓
	103-3	Evaluation of the management approach	8, 10-11, 43, 75			✓
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Identification of significant operations and suppliers in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken by the organization intended to support these rights.	None		8.8	✓
<b>Child Labor</b>						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	9-11			✓
	103-2	The management approach and its components	8, 10-11, 43, 75		16.3	✓
	103-3	Evaluation of the management approach	8, 10-11, 43, 75			✓
GRI 408: Child Labor 2016	408-1	Identification of operations and suppliers at significant risk for incidents of child labor and measures taken to contribute to the effective abolition of child labor.	None		8.7 - 16.2	✓
<b>Forced or Compulsory Labor</b>						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	9-11			✓
	103-2	The management approach and its components	8, 10-11, 43, 75		16.3	✓
	103-3	Evaluation of the management approach	8, 10-11, 43, 75			✓
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	None		8.7	✓
<b>Local Communities</b>						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	9-11			✓
	103-2	The management approach and its components	10-11, 56-57		16.3	✓
	103-3	Evaluation of the management approach	10-11, 56-57			✓
GRI 413: Local Communities 2016	413-1	Operations where development programs impact assessments and local community engagement have been implemented	56-71			✓
	413-2	Operations with significant actual and potential negative impacts on local communities.	56-57 No negative impacts have been identified		1.4	✓
<b>Supplier Social Assessment</b>						
GRI 103: Enfoque de Gestión 2016	103-1	Explanation of the material topic and its boundary	9-11			✓
	103-2	The management approach and its components	10-11, 75		16.3	✓
	103-3	Evaluation of the management approach	10-11, 75			✓
GRI 414: Supplier Social Assessment 2016	414-2	Significant actual and potential negative social impacts in the supply chain and actions taken	75, 77		8.8 - 16.1	✓
<b>Customer Health and Safety</b>						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	9-11			✓
	103-2	The management approach and its components	10-11, 18, 39		16.3	✓
	103-3	Evaluation of the management approach	10-11, 18, 39, 91			✓
GRI 416: Customer Health and Safety 2016	416-1	Percentage of significant product and service categories for which health and safety impacts have been assessed to encourage improvement	39			✓
	416-2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	There were no incidents		16.3 - 16.5	✓
<b>Marketing and Labeling</b>						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	9-11			✓
	103-2	The management approach and its components	10-11, 18, 39		16.3	✓
	103-3	Evaluation of the management approach	10-11, 18, 39, 91			✓
GRI 417: Marketing and Labeling 2016	417-1	Type of information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories covered by and assessed for compliance with such procedures	39 The Group's companies comply with Argentine Central Bank (BCRA) regulations, codes of banking practices, and other effective regulations		12.8 - 16.3	✓
	417-2	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	There were no incidents		16.3	✓
	417-3	Total number of incidents of non-compliance with regulations or voluntary codes concerning marketing communications, such as advertising, promotion and sponsoring, by type of outcomes.	There were no incidents			✓
<b>Customer Privacy</b>						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	9-11		16.3	✓
	103-2	The management approach and its components	10-11, 18, 39			✓
	103-3	Evaluation of the management approach	10-11, 18, 39, 91		16.3 - 16.10	✓
GRI 418: Customer Privacy 2016	418-1	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data.	There were no complaints			✓
<b>Portfolio of Products with Social and Environmental Benefits</b>						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	9-11			✓
	103-2	The management approach and its components	10-11, 22-23			✓
	103-3	Evaluation of the management approach	10-11, 12, 22-23			✓
		Percentage of the portfolio for business lines by specific region, size, and by sector	12, 14-15, 22-23			
		Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	27-28, 30, 34-35, 62-65		1.4 - 8.3 - 8.10	
		Monetary value of products and services designed to deliver a specific environmental benefit for each business line by purpose	88-89		1.4 - 8.3 - 8.10 - 10.2	
<b>Accessibility</b>						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	9-11			✓
	103-2	The management approach and its components	10-11, 22-23, 38		16.3	✓
	103-3	Evaluation of the management approach	10-11, 22-23, 38			✓
		Access points in low-populated or economically disadvantaged areas, by type	13-14, 22-23		1.4 - 8.10 - 10.2	
		Initiatives to improve access to financial services by disadvantaged people	38, 62-65		1.4 - 8.10 - 10.2	



## Independent Assurance Report

To the Chairman and Directors  
of Grupo Financiero Galicia S.A.  
Tte. Gral. Juan D. Perón 430  
Autonomous City of Buenos Aires, Argentina

### Introduction

We have been engaged by Grupo Financiero Galicia S.A.'s directors to perform a limited assurance work on certain information included in the "2016 Sustainability Report" (hereinafter the "Sustainability Report") for the fiscal year ended December 31, 2016. The preparation of the Sustainability Report is the responsibility of the Company's Board of Directors. Our responsibility is to issue an independent and limited assurance report on the Sustainability Report, with the scope described in detail herein.

### Information Subject to Analysis

Our limited assurance work consisted in reviewing the following information included in the Sustainability Report:

- Key indicators detailed in the Table of GRI Standard Indicators, identified with the symbol √;
- The self-statement made by Grupo Financiero Galicia S.A. regarding compliance with the basic contents recommended by the Sustainability Reporting Guidelines of the "Global Reporting Initiative", (hereinafter "GRI Standard") for the "In accordance" Core option.

### Board of Directors' Responsibilities

Grupo Financiero Galicia S.A.'s Board of Directors is responsible for:

- The contents of the Sustainability Report;
- Having set as reporting criterion the GRI Standard Guidelines and those included in the Sustainability Report;
- Assessing performance based on GRI Standard Guidelines;
- Designing, implementing and maintaining internal controls for the preparation of the information subject to analysis to be free from material misstatements, either due to fraud or error; and
- Keeping appropriate records to support the reporting process.

### Responsibility of the Professional Involved

Our responsibility consists in expressing an independent conclusion, based on our limited assurance procedures, about whether there is any matter that has called our attention to indicate that the sustainability information, identified in the "Information Subject to Analysis" section, included in the Sustainability Report, has not been stated, in all material respects, in conformity with the reporting criteria.

We conducted our work in accordance with Technical Resolution No. 35 of the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as regards the International Standards on Assurance Engagements 3000 (ISAE 3000) "Assurance Engagements Other Than an Audit or Review of Historical Financial Information". This standard requires that we plan and perform our work to obtain limited assurance on the sustainability information covered by our report.

### Independence and Quality Control

Our work was performed in accordance with the independence standards required by the Code of Ethics of the International Federation of Accountants (IFAC).

Our firm performs, pursuant to the International Standard on Quality Control 1 (ISQC 1), a global quality control system including documented policies and procedures in regard to the compliance with ethical requirements, professional standards and applicable regulations on the sustainability information assessed in our report.

### Summary of the Work Performed

Our procedures include examining, based on selective tests, evidence related to the sustainability information covered by our report. It also includes assessing the significant estimates or judgments made by the Board of Directors to prepare that information. The procedures to obtain information were more limited than an audit and, accordingly, the assurance level is lesser than the one that would have been reached in an audit or reasonable assurance work.

Among other procedures, our work consisted in:

- Evaluating the design of key processes and controls to monitor, record and report the information selected. Our work does not include testing the effectiveness of operating controls for the period under analysis;
- Performing tests, on selective bases, to verify the accuracy of the information submitted;
- Conducting interviews with management and senior managers to assess the application of GRI Standard Guidelines;
- Inspecting, on selective bases, the documentation to verify management's and senior managers' statements in our interviews;
- Reviewing the summary GRI table to consider management's assertion regarding the application of GRI Standard Guidelines.

We believe that the evidence we obtained is sufficient and adequate to provide us with a basis for our limited assurance conclusion.

The non-financial information is subject to inherent limitations other than those of financial information, given the nature thereof and the methods used to determine, calculate, select samples or estimate values. The qualitative interpretations of importance, materiality and accuracy of data are subject to individual criteria and assumptions.

We have not carried out any work on the information submitted for prior periods or in relation to future goals and projections. We have not performed any work beyond the agreed-upon scope and, therefore, our conclusion is limited solely to the sustainability information identified and reviewed.

### Conclusion

Based on the work described in this report, nothing called our attention that made us think that the information subject to analysis, included in Grupo Financiero Galicia S.A.'s 2016 Sustainability Report for the fiscal year ended December 31, 2016, has not been prepared, in all material respects, in conformity with the GRI Standard Guidelines, or the records and files that were used as a basis for the preparation thereof.

Autonomous City of Buenos Aires, March 31st. 2017

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C.A.B.A.T°1 F°17

**Dr. Santiago J. Mignone**

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Grupo Financiero Galicia's Operational Group



Banco Galicia's Operational Group

WE WOULD LIKE TO THANK THE COOPERATION OF THE ENTIRE OPERATIONAL GROUP WHICH ACTIVELY PARTICIPATES IN THE PREPARATION OF THIS REPORT.

This publication was prepared Banco Galicia's Sustainability Division together with Tarjeta Naranja, Tarjeta Nevada, Galicia Seguros and Efectivo Sí.

YOUR COMMENTS AND SUGGESTIONS ON THE 2016 SUSTAINABILITY REPORT HELP US TO CONTINUE IMPROVING THE ACCOUNTABILITY WITH REGARD TO OUR SOCIAL AND ENVIRONMENTAL ACTIVITIES.

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